

Friends of Financial History

NUMBER 47

Third Quarter 1992

Chronicling the History of America's Capital Markets

\$7.00



The Columbian Cartel

Profits in the Wilderness: The First U.S. Companies

New Exhibit at the Museum of American Financial History

Plus: Book Reviews and the Frankfurt Auction & Collectors' Meet

They know that in addition to the products they sell and the people they employ, the biggest reason for their success may well be the stock market they're listed on.

Consider a recent Fortune magazine article which named the 100 fastest growing companies in America—66 were listed on one stock market: The Nasdaq Stock Market.

WHAT DO AMERICA'S

A coincidence? Not really.

You see, each of these companies has learned that Nasdaq's trading environment is ideal for companies that are anxious to grow. And grow fast.

It's an environment in which every company has multiple market makers trading its stock,

FASTEST GROWING

instead of a single market maker like a traditional stock exchange. And because Nasdaq market makers select a company rather than being assigned, they have more than a passing interest in the performance of that company's stock. They stimulate interest throughout the marketplace allowing more capital to be raised at a lower cost. And they compete with each other, further enhancing a stock's liquidity.

COMPANIES KNOW

It's a way of doing business that has fueled the growth for many of America's most successful and innovative companies, including Microsoft®, MCI®, Apple® Computer and Intel®.

These companies though, aren't the only ones that have come to recognize the advantages of Nasdaq—America's fastest growing stock market.

THAT YOU DON'T?

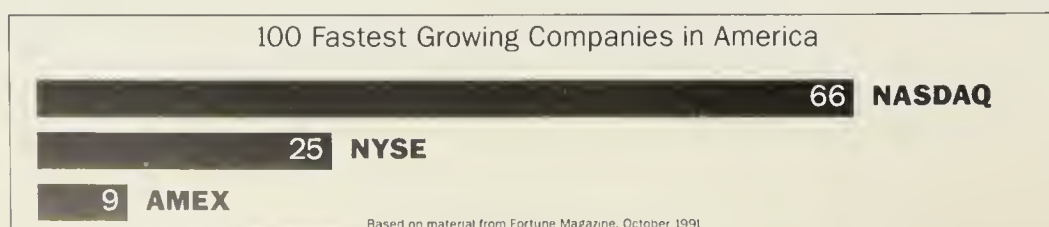
"Nasdaq's automated market making system will become more important as trading becomes more global," Ernest Tanner, Professor of Economics, Tulane University.

"The relatively higher liquidity of Nasdaq stocks is (due) to the interest of multiple market makers," Professors Kerry Cooper and John Groth, Texas A&M University.

And Jack Burke, Contributing Editor, IR magazine: "The Nasdaq Stock Market has married technology to competition and propelled itself firmly into the top ranks of the world's equities exchanges."

If you're a serious investor interested in growth, at least now you know more about the stock market best geared to provide it.

NASDAQ®
The stock market for
the next 100 years.



FRIENDS OF FINANCIAL HISTORY

ISSUE 47, FALL 1992

PUBLISHED BY THE MUSEUM OF AMERICAN FINANCIAL HISTORY

LETTER FROM THE EDITOR 2

THE COLUMBIAN CARTEL 4

By John Yewell. Christopher Columbus was not just a navigator. He was the first foreign entrepreneur in North America. Here's how Columbus financed his voyage, and how desperately he wanted to become rich from the lands he found.



PROFITS IN THE WILDERNESS 12

By John Frederick Martin. A look at the English as early entrepreneurs in the New England towns of the 17th Century, and how the colonies practiced capitalism from the very beginning.

POLITICIANS AND THE FINANCIAL MARKETS 19

By Anne T. Keane. The Museum of American Financial History opened its second major exhibit in its new home amid the presidential campaign this fall. The exhibit looks at political personalities and the ways in which their lives have interacted with the financial markets.

AN AMERICAN PERSPECTIVE ON THE FRANKFURT AUCTION 26

By David Strebe. Recollections on the 31st International Stock and Bond Auction and Collectors' Meet in Frankfurt, Germany, in September of this year.



BOOKS

22

SOMETHING OLD...

Robert C. Alberts' *The Golden Voyage: The Life and Times of William Bingham 1752-1804*. Reviewed by Ray Boas.

...SOMETHING NEW

John Dennis Brown's *101 Years on Wall Street, An Investor's Almanac*. Reviewed by James L. Fraser.



CERTIFICATE COLLECTORS' SHOPPING GUIDE 39

ANTIQUe CERTIFICATE MAIL BID AUCTION 40

ITEMS OF INTEREST AND CLASSIFIED ADVERTISEMENTS 48

ACKNOWLEDGMENTS

Friends would like to thank the following people for their help in preparing this issue:

James Kyprianos, Ipswich Historical Society

Nancy Heywood, Peabody & Essex Museum

Peter Drummey, Louis L. Tucker, Virginia Smith and Chris Steele, Massachusetts Historical Society

Lisa Delwo, Marjorie Fowler and Kathy Shaer, The University of North Carolina Press

Letter from the Editor

OUR APOLOGIES. This issue was finished so far past our deadline we'd rather not admit to you how far it was. As explanation, not justification, it's worth pointing out that the staff of the Museum was busy, as summer turned into fall, putting up its second major exhibit in its new permanent home. And your volunteer editor was touched on the shoulder with a magic wand and given a few more responsibilities at what he likes to call his "paying" job. We appreciate the patient indulgence of our readers, and we can only hope this belated issue is at least partly worth the wait.

SHARE THE LAND. How did the English so successfully colonize North America? They were driven by a zealous desire for religious freedom, by a shining hope of making a new life in a New World. But they were also propelled westward on a wave of speculative capital. Many of the colonies and towns of New England were financed as corporations, hiring settlers to provide labor, allocating capital spending to build their communities, and distributing the profits of the settlements among their investors. In his brilliant new book, *Profits in the Wilderness* (Univ. of North Carolina, 1991, \$34.95), Dr. John Frederick Martin shows how incorrigibly capitalistic the North American colonies were from the very beginning. We have adapted a segment of his book, which you will find on p. 12 in this issue; the second part of our adaptation will appear in the next issue of *Friends*. I found it one of the most fascinating works on early American finance that I have read in a long time, and I hope you will agree.

COLUMBUS. In October, half a millennium ago, Christopher Columbus became the first European to stake a claim to the Western Hemisphere. We were long taught that what drove him across the cold and unknown seas was the Renaissance spirit of scientific inquiry. But author John Yewell finds another motive: profit. For the story of how Columbus financed his voyage, and how desperately he wanted to become rich from the lands he found, see p. 4.

AND MORE. We also review an old book and a new one, a scripophily sale in Germany and the Museum's new exhibit here in New York. As always, we thank you for reading *Friends*, we hope you will visit the Museum whenever you can, and we hope you will let us hear both your compliments and your criticisms.

Jason Zweig

FRIENDS OF FINANCIAL HISTORY (ISSN 0278-8861)
Issue #47, Third Quarter 1992

EDITOR
Jason Zweig

MANAGING EDITOR
Anne T. Keane

EDITORIAL ADVISORY BOARD
John Berry, New York Stock Exchange, Inc.
Diana E. Herzog and Wil Roberts, R.M. Smythe & Co., Inc.
Douglas Parrillo, National Association of Securities Dealers, Inc.
Arthur W. Samansky, Securities Industry Association
Bob Shabazian, American Stock Exchange, Inc.
Joseph S. Sims, Public Securities Association

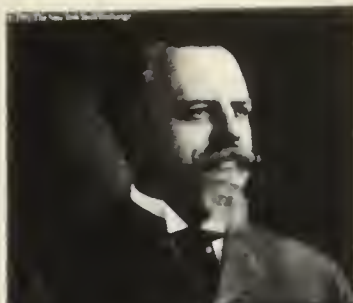
Richard Sylla, Henry Kaufman Professor of the History of Financial Institutions and Markets, New York University

Copyright 1992 by the Museum of American Financial History, the publisher, 26 Broadway, Room 200, New York, NY 10004-1763
Telephone (212) 908-4519 Fax (212) 908-4600. All rights reserved.

Permission is granted to reprint with proper credit to Friends of Financial History.

Annual subscription \$25 in U.S. and Canada, \$30 airmail Europe, U.K. Single copy \$7.
Payment must be made in dollars, on a New York or US bank, or by bank wire to Republic National Bank,
Four World Trade Center, Plaza Level, New York, NY 10048, ABA #026-004828, Account #456-022430.

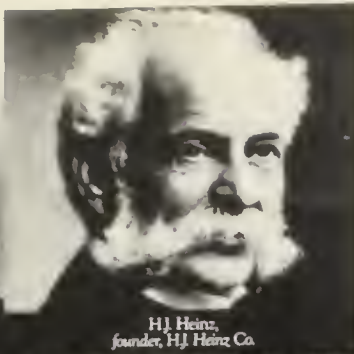
Letters to the editor are welcome; please send them to
Friends of Financial History at the address above.



Adolphus Busch,
founder, Anheuser-Busch, Co.



George Merck,
founder, Merck & Co.



H.J. Heinz,
founder, H.J. Heinz Co.



George Eastman,
founder, Eastman Kodak Co.



Frank Seiberling,
founder, The Goodyear Tire & Rubber Co.



Dave Packard, Bill Hewlett,
founders, Hewlett-Packard Co.



Charles P. Lazarus,
founder, Toys "R" Us, Inc.



Ray Kroc,
founder, McDonald's Corporation



Gary C. Comer,
founder, Lands' End



Charles B. Wang,
founder, Computer Associates



Earl E. Bakken,
founder, Medtronic, Inc.



Robert L. Johnson,
founder, BET Holdings, Inc.



Sid and Jenny Craig,
founders, Jenny Craig, Inc.

For Two Hundred Years, We've Made It Possible
For More People To Share In Other People's Dreams.
And That Will Continue For The Next 200 Years.



Wilfred J. Corrigan,
founder, LSI Logic Corp.



Samuel H. Maslak,
founder, Acuson Corp.



Robert A. Swanson, Herbert W. Boyer,
founders, Genentech, Inc.

☞ America has been called the land of opportunity for one simple reason: anyone with a dream has been free to pursue it.

Fortunately in America, there has also been a way for millions and millions of other ordinary people to share in those dreams. And profit right along with them.

Through the fairest and most open way of buying stocks ever created.

A market system based on the simple idea of letting people have equal access to up-to-the-second information and letting their agents negotiate for them face-to-face.

With no one getting more favorable treatment over anyone else.

It's been the best way to get the best stock prices for you for the last 200 years. And as far as anyone can tell, for the next 200 years.

*Christopher Columbus was not just a navigator.
He was the first foreign entrepreneur in North America.*

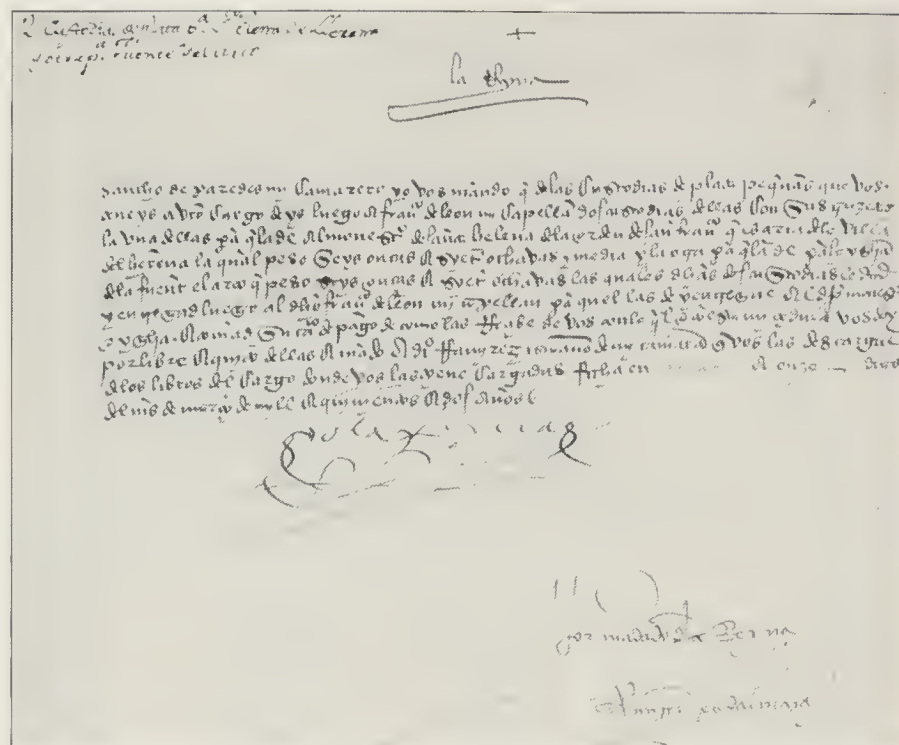
The Columbian Cartel

By John Yewell

In this quinqucentenary year, some historians see Christopher Columbus as a visionary navigator, others as a rapacious colonial pirate. Since so much is made of Columbus as a capitalist, and since he is at the same time so roundly vilified for the greed which made slavery an acceptable commercial answer to pay the bills of his enterprise, it seems only right that we try to follow the money, to find out how he paid for his explorations, how his finances may have dictated his policies, and how these in turn have been passed down to us as the Columbian legacy.

Christopher Columbus first approached King Fernando and Queen Isabel of Spain in 1485 with his idea to sail west to Asia. At the time Christian Spain was nearing the end of a long war against Muslim Spain, known as the *reconquista*. The prolonged fighting had impoverished the land, which had suffered waves of famine, complicated by plagues, throughout the 15th Century. The Inquisition had been underway for two years, and yet this was also the Renaissance, a time of great learning and advancement, the time of Da Vinci and of Italian prominence in Mediterranean affairs. The monarchs gave permission for Columbus's first voyage just eight days after the death of Lorenzo de Medici, one of the founders of modern banking. Italian financiers would play a major role in Columbus's enterprise.

On January 20, 1486, Columbus made his first pitch to the Spanish sovereigns. But his prospectus was seriously flawed: he had grossly underestimated the earth's circumference. Learned men of the time had already made roughly accurate estimates of the westerly distance to



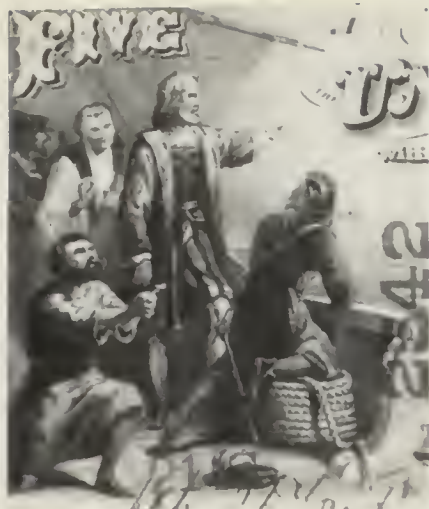
During the time of Columbus's voyages, the Spanish crown was active raising funds at home for the Catholic Church. In this document, dated March 11, 1502, Queen Isabel orders payments to be made to the Church and monastery of Saint Elena, near the city of Llerena.

Asia, which Columbus gauged to be a good 25% closer. So when Fernando and Isabel submitted his plan to scholarly review, it was rightly rejected as unfeasible, and therefore a bad financial bet.

Although they were not ready to equip him and set him sailing, Fernando and Isabel awarded, in the spring of 1487, the first of many grants paid to Columbus to support him while they considered his plan. During an August audience in Malaga, which had just been reconquered, they suggested that the end of the war would allow them to fund such an expedition. Thus began a long, complicated retainer arrangement, during which the King and Queen strung Columbus along, sabotaging his attempts to finance

his voyage elsewhere while refusing to fund it themselves.

So Columbus bided his time — working, it is thought, as a mapmaker and book salesman — while continuing to beat the bushes for support. Catholic Spain had long profited from the payment of tribute from Muslim Grenada, which dealt in the African gold trade from which Spain was excluded by treaty with Portugal. The Spanish knew that the Reconquista would eliminate the tribute from Grenada. Trade with Asia might replace the lost income, but the Portuguese already dominated the southerly and easterly routes. So Columbus's western plan made more sense than the monarchs may have wanted to admit to him — but any major commitment of the royal treasury would have to await



The front left vignette of the \$5 U.S. Treasury Note, 1871, features Christopher Columbus in sight of land, and was designed by Charles Linton and engraved by Charles Burt.

the end of the war.

Impatient to see his plans put into action, Columbus turned to the private capital market, which in 15th-Century Spain meant rich nobles. Several deals fell through, including one with Enrique de Guzmán, the duke of Medina Sidonia and one of the richest men in Spain. It is thought that de Guzmán turned thumbs down because he was aware of Columbus's geographical miscalculations.

Later Columbus was introduced to Luis de la Cerda, the count (and later Duke) of Medinaceli. The count expressed his willingness to put up the lion's share of the money, but would not do so without the blessing of the king and queen. Upon receiving Medinaceli's letter, the queen sum-

moned Columbus back to the court and precluded the deal.

In the summer of 1491, Columbus took his road show around Spain, seeking support. Later that year he met Juan Pérez, who was a former official in the queen's court. He was also introduced to Martín Alonso Pinzón, who would later be instrumental in putting together the fleet for Columbus's first voyage and would himself captain the *Pinta*. Pérez became a solid backer, and on a mule rented by Pinzón he rode off to see the queen to convince her to consider once more Columbus's plan.

Finally, Columbus's time had come. It was late in 1491, and Fernando and Isabel had just signed an agreement that would pay the Muslims 24 million *maravedis* to give up Grenada, their last foothold on the Iberian peninsula, the following year. For that price, the Spanish monarchs regained Spain for the Spaniards and ended the war. They sent Columbus 20,000 *maravedis* to return to court. But, early in 1492, Columbus's plan was once again run through the gauntlet of learned opinion, and once again it was rejected.

Fed up, Columbus rode off, probably for France. But Luis de Santángel — the manager of the king's household accounts and one of the treasurers of the Santa Hermandad, the royal secret police — persuaded the monarchs that Columbus's voyage was a gamble worth making. It was, said Santángel and another influential court-

ier, Abraham Senior, a minor short-term risk that could have a huge long-term reward. (Both Santángel and Senior were *conversos*, Jews forcibly converted to Catholicism by the Inquisition.) For a couple of million *maravedis* — easily finagled here and there — Spain might find the new sources of overseas wealth it so desperately needed. A bailiff was dispatched to retrieve Columbus, and the negotiations were opened.

The government agreed to give Columbus about 2 million *maravedis*. There is no truth, however, to the legend that Isabel pawned her jewels to pay for the expedition. So where did the money come from? Santángel, along with Francisco Pinello, a Genoese banker and friend of Columbus, arranged a loan from the Santa Hermandad for 1,140,000 *maravedis*, a sum which was later reimbursed from other government funds. Of the total, 1 million was to cover the expenses of the trip. Another 140,000 went to Columbus as salary — an enormous sum that certainly qualifies him as one of the first highly paid CEOs in history. Beneath him, the ships' captains earned 2,500 *maravedis* per month, masters and pilots got 2,000 per month, seamen 1,000, and ship's boys 666. While it is difficult to value these figures in 1992 U.S. dollars, at the time a cow cost 2,000, a pig cost 400, and 1 bushels of wheat cost 73 *maravedis*.

But Columbus still felt his expedition was underfunded. He took out a



The reverse side of the \$5 U.S. Treasury Note, 1871, features the landing of Columbus, from a painting by John Vanderlyn.

Courtesy of R.M. Smythe & Co. Inc. New York

personal loan for half a million maravedis from Juanoto Berardi, a Florentine banker in Seville, to pay for three ship's surgeons and several caulkers, carpenters, and various crew members. (Berardi later overextended himself in the slave trade and Caribbean ventures and died insolvent.) Each ship had a small launch for going ashore, or for communicating between ships at sea. Cheap trinkets which had proved popular in trade in Africa were brought along. Just as interesting is what seems to have been left behind. Columbus brought no professional soldiers and only a smattering of small arms: crossbows, arquebuses, and a few small cannon. There were no priests to convert any heathen they might find. And Columbus brought neither a metallurgist to identify gold or silver deposits nor a botanist or agricultural expert to search for promising crops.

The monarchs paid for Columbus' flagship, the Santa Maria, but the Nina and the Pinta were paid for by a punitive levy on the port town of Palos, whose tuna fishermen had recently violated a territorial treaty between Spain and Portugal. To punish the town, the Spanish monarchy ordered the people of Palos to supply two ships and crews for Columbus's voyage.

Courtesy of R.M. Smythe & Co. Inc. New York



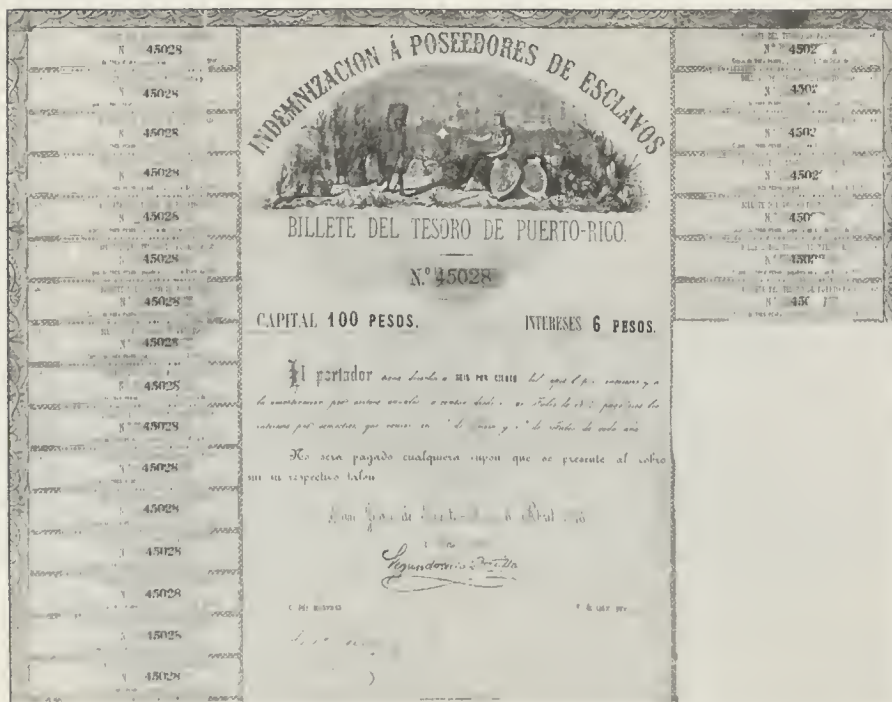
Believe it or not, the image at the left of this \$10 Canal Bank note, from 1846, is of Christopher Columbus, a popular figure on securities and bank notes throughout the 19th Century.

Columbus swung a sweet deal for himself in his contract with the monarchy, signed April 17, 1492, which is known as the Capitulations of Santa Fe. Columbus had two aims: First came his ego, then — close behind — came his purse. He secured the rights to several noble titles, including vice-roy, governor general of any lands he might find, and the hereditary honorific "Admiral of the Ocean Sea." Columbus also insisted on getting, for himself and his heirs, 10% of all future earnings from all operations in those lands — which surely would have been the most lucrative contract in history, had it been honored by the monarchy. How hard a bargain did Columbus

drive? When the Spanish King Charles V sent Ferdinand Magellan off to circumnavigate the globe in 1519, he promised Magellan and his partner Rui Faleiro (and their heirs) a total of just 5% of the profits, along with joint governorship of all lands they found.

Columbus set sail from Palos on August 3, practically hull to hull with boats carrying the last Jewish refugees being forced into exile. After a brief stopover in the Canary Islands, the three tiny boats finally came within sight of the Bahamas ten weeks later, and he promptly took for himself the annuity of 10,000 maravedis promised by the monarchs to the first person to see land — even though it was one of the crew, Juan Rodríguez Bermejo, who first spotted solid ground.

To his chagrin, Columbus found no great quantities of gold. The islands traded food and other local products among themselves, but there were none of the teeming cities, exotic spices, fine porcelains, or finished silks that Columbus had expected to find in Asia. After the first weeks of island-hopping and claiming territory for Spain, Columbus was worried: he not only was unsure where on earth he was, but he had no idea how to turn a profit from what he was finding. Like an unscrupulous stock promoter, Columbus solved the problem with plenty of hype: in his diary, he described one river on the island of Hispaniola (present day Haiti and the Dominican Republic) as "all full of gold, and in such quantity that is marvelous," even though it was no such thing. And once Columbus returned alive and triumphant with the stunning news of land to the west, no one was in any mood to quibble over the details.



Courtesy of R.M. Smythe & Co. Inc. New York

Depicting slavery as an institution supported by the state, this Puerto Rican Treasury bill, issued on April 6, 1876, offers a secured bearer bond to slave holders. It states that "the bearer has the right of 6% of the capital for any interest and to the amortization for yearly auctions starting from July 1, 1874".

STOCKS & BONDS

	Buying	Selling
Standard Oil Co. Signed by John D. Rockefeller...	\$7,000	P.O.R.
American Express Co. with train vignette. Signed by Henry Wells and William Fargo...	\$1,500	
Pennsylvania Oil Stocks - 1860s...	\$50-100	\$100-175
Western Mining Stocks - 1860s-1890s...	\$15-75	\$30-150
Pierce Arrow Motor Car Co....	\$200	P.O.R.
Packard Motor Car Co....	\$400	Wanted

Prices stated are for issued pieces in excellent condition.

PRICE GUIDE: The Stock & Bond Collectors Price Guide,
Over 12,000 Different Photos & Prices by Yatchman \$14.95 Postpaid
Also -- CONFEDERATE AND SOUTHERN STATE BONDS by Criswell,
374 pages, Illustrated with values, \$25.00 Postpaid.

**WE ARE VERY ANXIOUS TO BUY FINE
QUALITY AMERICAN STOCKS AND BONDS.**

PRINTED INFORMATION AND OFFERINGS

Free of Charge

FAX # 603-882-4797



GEORGE H.

**LA BARRE
GALLERIES**
INC.

P.O. Box 746 Hollis, New Hampshire 03049

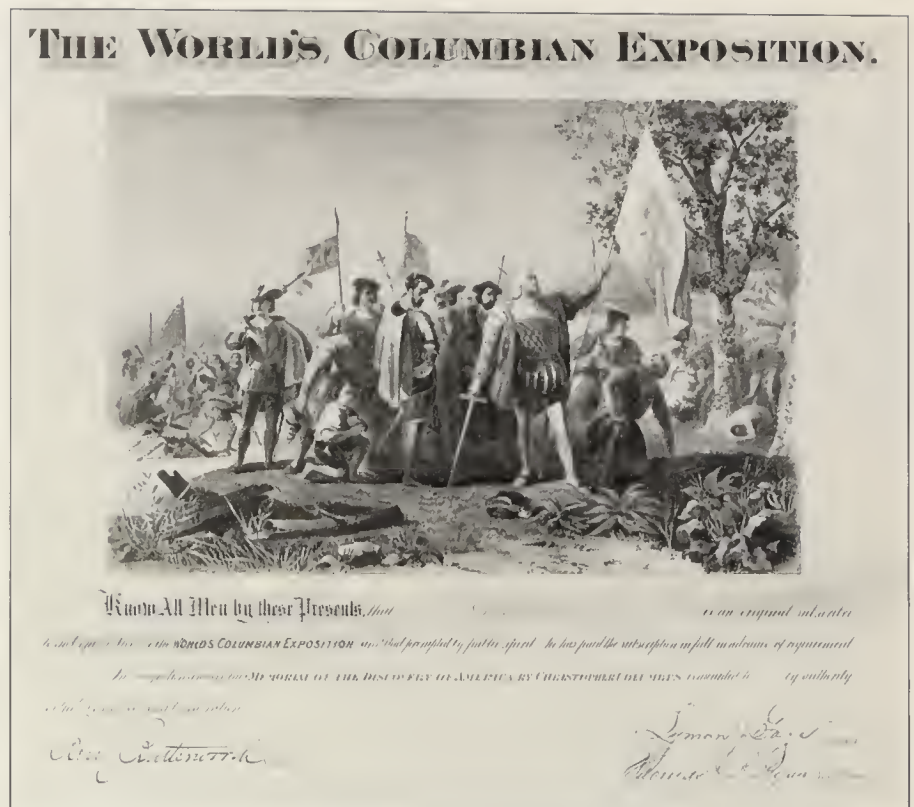
**CALL
ANYTIME
TOLL
FREE**

**800-842-7000 OR
CALL 603-882-2411**

A second expedition was hastily organized and handsomely funded by Fernando and Isabela. This time there was no scrimping. Seventeen ships and at least 1,200 men equipped with everything needed to set up a permanent colony sailed westward in the fall of 1493. Their cargo included farming equipment, seeds and seedlings such as wheat, vegetables, and fruit, as well as horses, cows, goats, and sheep.

Until then, most European trade with far-off lands had followed two patterns: The Asian model of trade dispatched European merchants thousands of miles overland across Turkey, Persia, and the silk routes to China, while the Portuguese chose to trade with Africa by setting up trading outposts where middlemen could negotiate long-term relationships with local rulers. Instead, Columbus and the Crown were creating a new pattern of trade, based on what they believed to be the circumstances in the territories they had found.

The whole enterprise was to be run under a royal monopoly from the island of Hispaniola, administered by Columbus as a kind of cartel. It would be a self-sustaining trading post, manned by settlers salaried by the Crown, with the explicit mission of extracting whatever wealth the land would yield. Among these settlers were soldiers, farmers, and artisans. There were no women. By largely cutting out the middleman, colonization was more efficient than the other models of trade, but it first displaced



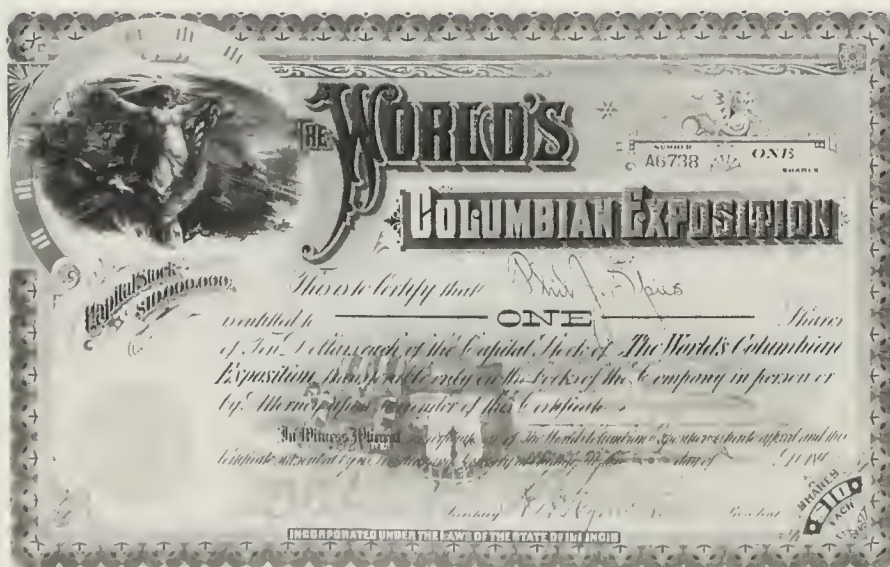
Since the last anniversary of Columbus's 1492 voyage, the perception of the man and his accomplishments has changed greatly. This certificate from the 1892 World's Columbian Exposition depicts Columbus's coming to the new world as an almost "god-like" event.

and then exploited the indigenous people of the colonies. Flush with the success of driving the Muslims out of Spain, the Spanish government was in an expansionist mood that made colonization seem perfectly natural — just as the U.S. government swept its power across the American West following the Civil War.

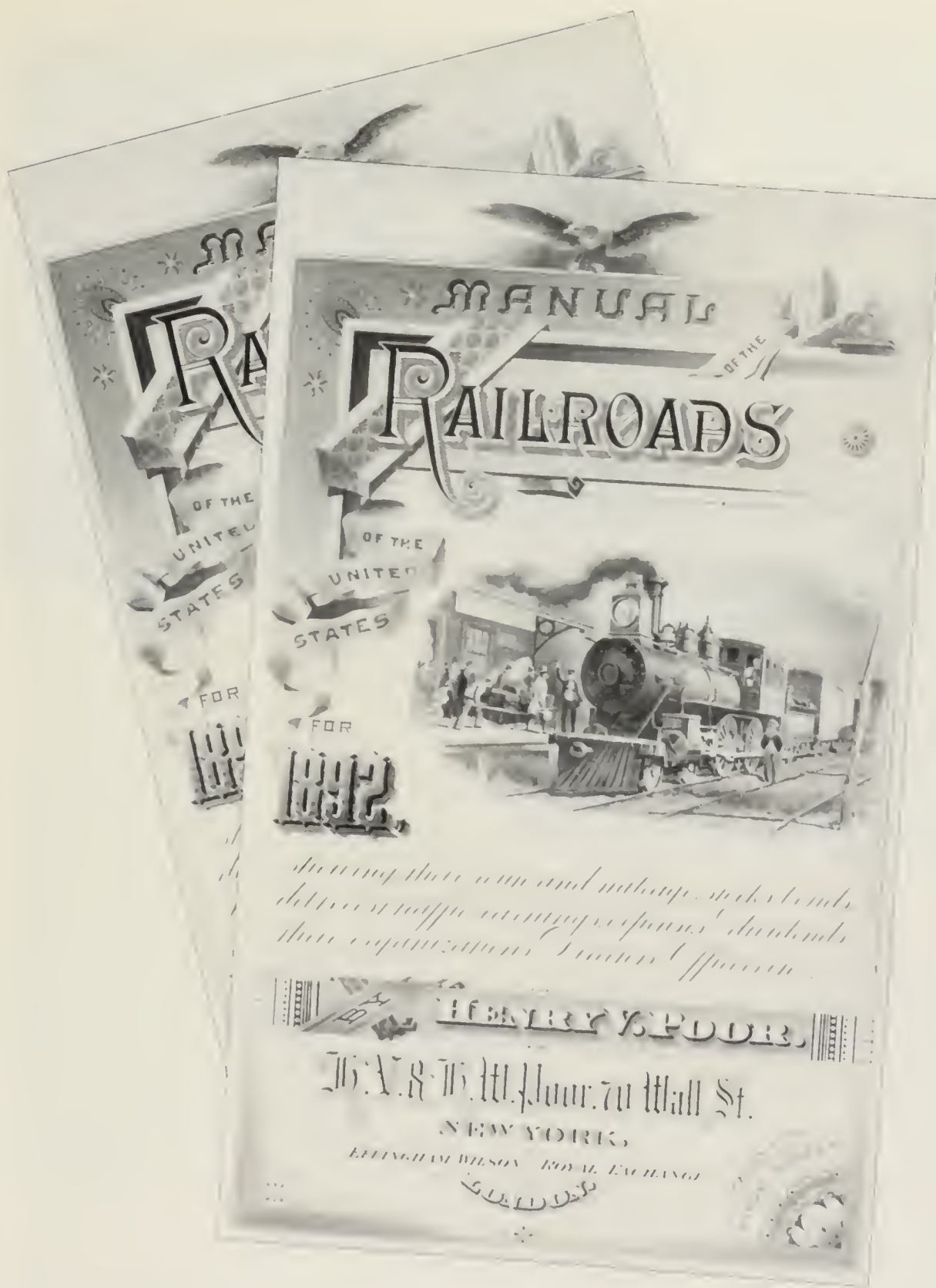
Unfortunately, Columbus was a far better salesman than he was an

administrator. His career as chief executive officer of the Spanish territories is a catalog of errors and atrocities. Because all profits went to the Crown, the salaried settlers had no incentive to work hard for themselves — but they soon found a source of free labor, brutally enslaving the local Taino Indians to find gold for them. Columbus, unfortunately, showed no talent for running a bureaucracy or for motivating the settlers to do the work they were being paid to do. When the settlers and their new slaves had difficulty finding gold, Columbus demanded tribute in gold from the native population that was still free: all people over the age of fourteen were required to bring in a hawk's bell full of gold every three months. (The more distant Indian communities could substitute a quota of cotton.) A bell small enough to be worn around the neck of a bird of prey probably held no more than an ounce or two of gold, but even that amount would not have been easy to gather, since the people of the islands had traditionally gathered gold only from dispersed alluvial deposits. Those who could not fulfill the Spanish quota had their hands cut off.

Columbus oversaw the colony ini-



Christopher Columbus was the theme of the 1893 World Exhibition in Chicago, as illustrated by this World's Columbian Exhibition share certificate.



As the years go by, our commitment to serving
serious investors continues to grow.

Publications, Services, and Database Information for the Capital Markets



Standard & Poor's Corporation
25 Broadway
New York, NY 10004-0419



tially, but soon left it in the hands of his brother Diego while he went off to explore Cuba. During the spring of 1494 Spanish atrocities mounted, and their indiscriminate murder, enslavement, and rape set off wholesale warfare with the Taino people. Columbus returned from Cuba and cracked down: In February, 1495, determined to prove that the foundering colony could show a profit, Columbus captured more than 1,000 slaves. He shipped some 550 of them to Spain; only about half survived the trip. The following month he led a military expedition into the interior of Hispaniola, fighting and winning a pitched battle with some 10,000 Taino Indians and related tribes.

But Columbus's dream was coming apart before his eyes. His promises of fabulous wealth turned out to be false, and his settlers were starving because they refused to eat native foods. Determined to get his 10% cut of all the wealth of the region, he drove the settlers hard — yet he stifled individual initiative by strictly enforcing the royal monopoly over production. With disease and the Spanish atrocities rapidly wiping out the native population, the Spanish settlers were having to work harder to satisfy Columbus's demands. It is no wonder that before long Columbus found himself fighting the Indians and his own mutinous settlers simultaneously. He eventually began executing some of the Spanish colonists, although the exact number is not known. By the time of his third voyage in 1498, Fernando and Isabel were so alarmed by word of Columbus's mismanagement that an emissary was sent to replace Columbus and return him in chains.

Columbus's strict control had conflicted with the *reconquista* policies of land grants and relative freedom of enterprise. Eventually, when it became clear that the idea of a trading colony was failing, a practice of land grants called *repartimiento* was instituted. But as the native populations declined, the value of the lands also fell, since there was a smaller supply of potential forced labor.

The Spanish monarchs did not approve of slavery even though they condoned the tribute system, and their decrees on the subject over the years betray equal amounts of moral outrage and economic realism. Responding to



The U.S. Postal Service acknowledged the voyages of Columbus by issuing a set of three 1992 commemorative stamps. They are "Columbus soliciting aid of Isabella" for 5¢, "Columbus at La Rabida" for 30¢ and the "Recall of Columbus" for 50¢.

reports from returning settlers late in 1494 and early 1495, they at first expressed a desire to place a moratorium on slavery, but their policies fluctuated. For example, in 1495 the monarchs conceded that indigenous peoples captured in "just" warfare could be enslaved, which of course only encouraged further warfare. However, in 1498, Isabella is reported to have ordered the freeing of some slaves. In 1542 the enslavement of Native Americans was finally outlawed by the Spanish crown, but by then the population had been decimated.

By the time of Columbus's third voyage in 1498, news at last arrived of substantial gold finds on Hispaniola, but by then the economics of the colonies had almost become secondary. The Portuguese were sending Vasco da Gama east to India, and geopolitical considerations were paramount. It was that era's equivalent of our space race.

With large gold deposits on the horizon, and with the urgent need to expand exploration to outflank the Portuguese, Fernando and Isabel broke their agreement with Columbus around 1500, granting licenses to other explorers. They took political control away from the unreliable Columbus and vastly reduced the percentage of

potential profits that any explorer could claim.

By 1503, a year after Columbus's fourth and last voyage, a House of Trade was established in Seville. It was a sign that the colonies were becoming profitable, although it is doubtful that the full costs of all the exploration to that year had yet been recouped. Later, as the need for labor grew, the African slave trade filled the gap. In addition to working in the mines, Africans would later be put to work on the growing number of sugar plantations. (By the eighteenth century the most profitable colonies in the world were the sugarcane-growing West Indies, and many countries, including England, France, and Holland, profited from the slave trade to those colonies.)

As the 16th Century gathered momentum, Spanish influence spread throughout Central and South America, through the Aztec and Inca empires. The great silver mines of Mexico and Peru turned Spain into one of the richest nations in history. By 1565, Spain had conquered the Philippines, and American silver was then shipped by Spain to Asia to be traded for silks and spices. Ironically, this silver trade finally provided the Spanish with the medium and route

of trade with the east they had been searching for in the first place. It is thought that between 1500 and 1650, at least 181 tons of gold and 16,000 tons of silver came to Europe from the Western Hemisphere.

Western hemisphere plants, such as corn, the tomato, and the potato, enriched the European diet and helped stave off famine. Europe's population grew—but so did a new evil: inflation. It is thought that prices in Spain may have risen as much as fivefold in the 16th Century—an unprecedented

outburst of inflation. The wholesale transfer of wealth at the root of this inflation shifted power away from the aristocracy toward the merchant classes, whose capital later financed the industrial revolution.

And Columbus? He died in 1506 in the town of Valladolid, just a few houses down the street from where, 99 years later, Cervantes would write *Don Quixote*. He was an embittered, vainglorious, and boastful man to the very end. Some chroniclers believe that he died broke, but that is probably an overstate-

ment. Columbus believed to the last that his voyages entitled him to immense wealth, so he must have felt that even a modest fortune was an insult. Certainly Columbus had unleashed as much change—both creative and destructive—as any one person has ever done. And in his arrival, the continent's future character was firmly conceived.

[For further reading: William and Carla Phillips, *The World of Christopher Columbus* (Cambridge University Press, 1992).]



CENTENNIAL DOCUMENTS

Post Office Box 5262
Clinton, New Jersey 08809, USA
Tel. (908) 730-6009
Fax (908) 730-9566



ST. LOUIS BRIDGE COMPANY

The Illinois & St. Louis Bridge Company was chartered by an Act of Congress of July 20, 1868 for the construction of a railroad bridge across the Mississippi River at St. Louis. The bridge, financed primarily with British capital, was the first large structure of any kind built of steel. (One of the major subcontractors was Andrew Carnegie's Keystone Bridge Company). This was a major technological development, which proved the feasibility of building bridges capable of bearing the increasing weight of post-Civil War trains. The company was sold under foreclosure and reorganized as the St. Louis Bridge Company, which in turn was leased to the railroads which utilized it.

The vignette, a detailed engraved rendering, nevertheless hardly does justice to the bridge which, even before its opening on July 4, 1874, was considered an engineering wonder. Were it not for the Brooklyn Bridge, under construction at the time in New York, the St. Louis Bridge (and its builder James Buchanan Eads) would certainly be far better known to the general public.

*(For a free copy of our current catalogue, or for more information, please feel free to call, write or fax;
we look forward to helping you build your personalized collection).*

Smithsonian Museum of the American Indian moving to the Alexander Hamilton U.S. Custom House

Although the National Museum of the American Indian is not scheduled to open until the Spring of 1994, a special exhibit, "Pathways of Tradition," will be on view from November 15, 1992 until January 24, 1993. The exhibit will contain objects representing tribes from North, South and Central America and the Caribbean. In addition to the exhibit, public performances of Native American dance will be a weekly feature on Saturday and Sunday afternoons from November 15 through January 24 (except Christmas weekend). The exhibit will be open from 10:00 a.m. to 5:00 p.m. daily. Admission is free. For more information call (212) 283-2420.

Profits in the Wilderness

Entrepreneurship and the Founding of New England Towns in the Seventeenth Century

By John Frederick Martin

The country that became the United States of America was capitalist even in the womb. Many of its colonies, and the towns within them, were conceived as stock companies, constructed to generate profits, and promoted as investments that would enrich their shareholders.

The reason was simple: Funding a settlement in the New World was expensive and complicated. The settlers, whose labor had lured the shareholders' capital, could not even take up their new lands and become productive until the corporation had stamped its preliminary organization on the wilderness. The right site had to be chosen, the General Court's permission obtained, the land purchased from the Indians. Then the township had to be surveyed and the lots laid out for homes, crops, timber, and pasture. Roadbeds had to be plotted and rivers bridged. Indians, surveyors, and lot-

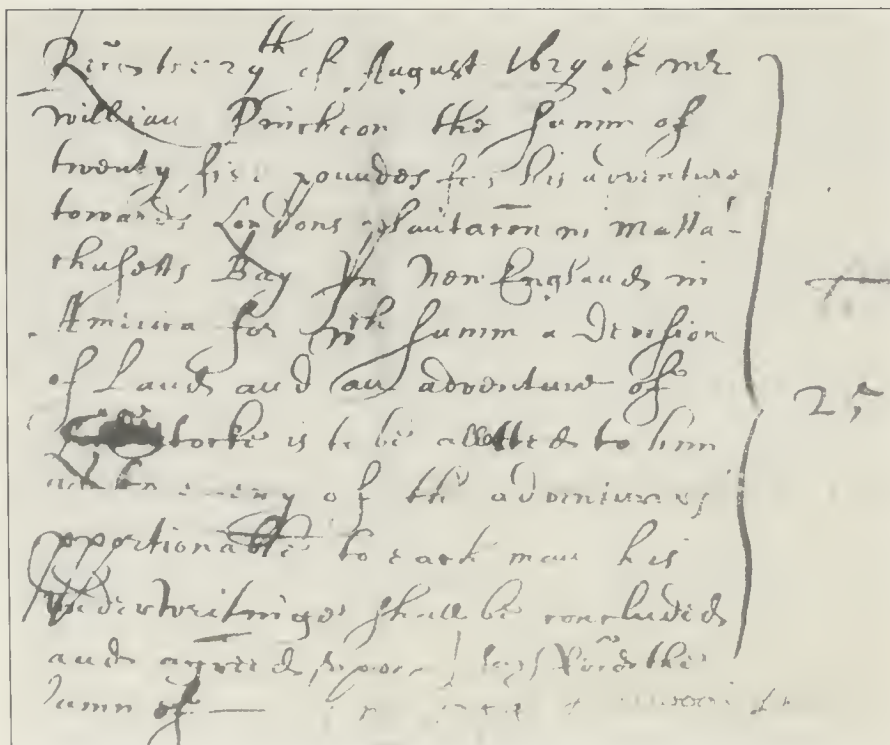
layers all had to be paid. Trees were plentiful, but sawmills were not, so lumber had to be bought and brought in. Nails, glass, wheels, farm implements, even livestock, often had to be shipped all the way from England. In theory, once the materials were purchased, the settlers themselves would build the houses, bridges, and roads—but there often were too few settlers, so labor as well as materials had to be purchased.

To succeed, a corporation needed to be led by men who understood complex organizations and could win approval in the courts, efficiently divide the land, provision the raw materials and labor, assess taxes, and manage the new town. Luring reputable leaders and establishing effective management were vital to the success of early New England towns, since financial and human capital tended to flow fastest to the best-organized settlements.

Towns needed a mechanism to pool the efforts of many people, a principle for raising the money to buy the land and commission the survey, a system for holding and then sharing the land. Above all, founding new towns required risk, expense, and travail. **Non-residents** risked their capital and gave their name and time to the enterprise; **residents** risked their labor and even their lives. Both groups had a special stake, an interest to protect, an investment from which they expected a return. The organizational challenge was to inspire individual initiative and to apportion rights and duties, while rewarding all the town founders commensurately to the risks they had taken, either with their labor or their capital.

The ideal organizational model was the English joint-stock company, which was already propelling the commercial expansion of early Stuart England. Until the 15th Century, English merchants had used two main techniques of business organization: guilds and partnerships. Then new mining ventures and foreign trade called for more capital than partnerships could provide, and merchants designed the regulated company, an association governed by rules and capable of joint, corporate action. But regulated companies did not directly carry on business activities or pay a return on shares; instead, they funneled capital to their members, who still acted individually in the manner of guild members and mercantile partners. Driven by the need for even greater capital and better management, the first major English joint-stock company, the Russia Company, appeared in 1553.

Joint-stock companies provided an investment opportunity to people who lacked the inclination or ability to conduct a particular enterprise themselves; the lure of sharing in their profits enabled these companies to raise far more capital than



24th August 1630 of me
William Pynchon the sum of
Twenty five pounds for his adventure
towards the plantation in Massa-
chusetts Bay in New England in
America for his share a portion
of Land and an adventure of
25 shares is to be allotted to him
and every of the adventures
proportionable to each man his
adventure shall be concluded
and agreed upon by the
sum of —

Courtesy of the Massachusetts Historical Society

Receipt to William Pynchon for share of stock in the Massachusetts Bay Company, signed by George Harwood, Treasurer. Pynchon went on to become one of the pre-eminent land developers in New England.

partnerships and regulated companies had ever commanded.

But Elizabethan joint-stock ventures were primitive. They kept the number of shares fixed; to raise more money, they did not issue more shares but levied assessments upon existing shares. These repeated subscriptions often burdened shareholders, who then divided their shares into fractions and sold these portions to others. Elizabethan companies did not distinguish between capital and dividends. Often they paid for capital expenditures out of revenue that, in a modern company, would have gone to dividends, and often they paid dividends out of capital assets. Legal incorporation was rare. Voting was by hands, not shares, in nearly all the early joint-stock companies; the owner of one share had the same voting power as the owner of 1,000 shares.

As time went by, merchants steadily refined the corporation. In the 17th Century, they assigned the administrative tasks to a governor and his assistants, who became the first professional managers. They began setting



Portrait of John Winthrop, Sr. (1588-1649), the organizer of the Massachusetts Bay Company and first governor of the Colony, painted by Charles Osgood

aside a permanent stock of capital — what modern investors call retained earnings — instead of raising new funds for each new voyage or venture. This development of permanent stocks was led by the plantation companies,

whose members prudently took a long-term attitude toward their investment in the gradual rise of land values and agricultural production in the colonies. By the 1690s, joint-stock companies had so proliferated that an open market in shares sprang up in London.

The search for profits in America had begun in the 1610s and 1620s as the first English adventurers launched an assortment of enterprises in northern New England. These entrepreneurs invested in fisheries, timber harvesting, and crops like silkworms and wine grapes with the expectation of reaping profits. Sir Ferdinando Gorges, in writing a narrative of his effort to colonize northern New England from 1606 to 1620, declared that he lost some of his investors in colonization projects precisely because profits were not forthcoming. Christopher Levett, another member of the Council of New England, argued for the establishment of North American colonies as a way to increase fishing profits. These English entrepreneurs also recruited farmers to come cultivate their American lands and fishermen to ply the coastal waters

Frustration

"The firm had one top-flight opening and four candidates of equal stature: an investment banker, an analyst, a portfolio manager, and a retail sales whiz. Rather than disappoint any one of them, the firm did the only fair thing. It hired an outsider."

As you know: The higher you go, the fewer the openings. Which is one of the reasons why you might be thinking of setting up shop for yourself. If so, we should get together. We're Ernst & Company, and we can help.

We can answer your hows: How to meet the requirements to become an independent investment counselor, registered investment advisor, or broker dealer. How to find office space. How to set up a desktop with the latest hard- and software for quotes, database services, charts, and other analytical tools.

We can take the backroom drudgery off your hands and provide you with swift, accurate execution of orders on all national security and options exchanges. What's more, we will provide you with access to senior management at all times; should a question arise, it will be answered promptly, politely, and personally. Unlike the giant wirehouses, clearance is a core business with us not "just another source of revenue."

If you feel that the time has come to realize your dreams, call William P. Behrens, Senior Managing Director and CEO, (212) 898-6217 or Daniel J. Cristofano, Managing Director, (212) 898-6220.

ERNST & COMPANY

Members all principal exchanges SIPC
One Battery Park Plaza, New York, NY 10004-1405

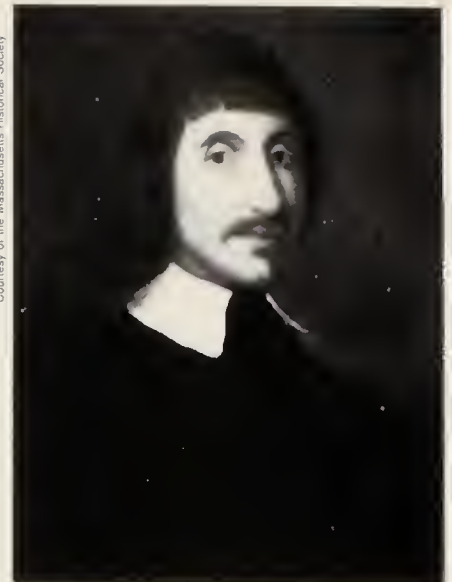
of the New World.

Without joint-stock companies, it is hard to see how the capital necessary for recruitment and development could have been raised. In 1622, Captain John Mason's Laconia Company obtained from the Plymouth council a grant of all the land between the Merrimack and Kennebec rivers. From 1623 on, the Laconia Company sent settlers to several places on the Piscataqua River, which runs along the New Hampshire and Maine boarder, to found a fishing enterprise there. Once there, the settlers were Mason's tenants and his employees. Mason reported that he never made any money there, but by his death in 1635, he had spent 22,000 pounds trying — sending supplies, livestock, tradesmen, and more than seventy settlers to the Piscataqua.

There were many such settler recruitment schemes. In 1630, another

group of London entrepreneurs, the Lygonia Company, sent a shipload of farmers to begin an agricultural plantation at Casco Bay; but the farmers gave up the next year. In February, 1629/30, the Plymouth council granted Thomas Lewis and Richard Bonython a tract of land near the Saco River, because they "with their associates and Company have undertaken at their own proper Costs and Charges to transport fifty persons thither within seven yeares next Ensueing." This venture was the beginning of Saco and Scarborough, Maine. It would not be the last time a governing authority encouraged the recruitment of settlers with the gift of land.

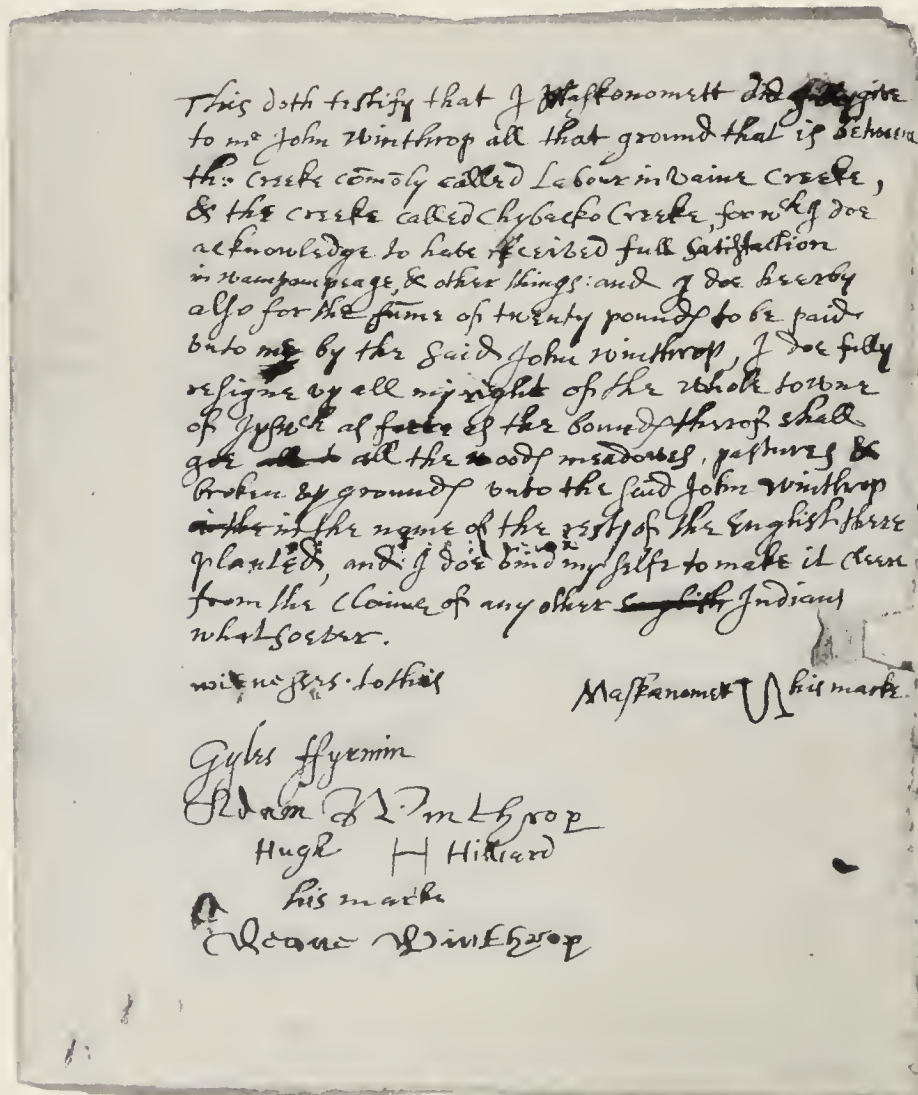
Sometimes the English investors recruited settlers purely to profit from the steerage. By the 1640s, William Bradford wrote that "some begane to make a trade of it, to transeport passen-



John Winthrop, Jr., like his father, had a distinct impact on the early North American colonies as an industrious entrepreneur. Portrait by Charles Osgood.

gers and their goods, and hired ships for that end... And by this means the cuntry became pestered with many unworthy persons." The English investors also rented out land for profit. In the 1630s, Sir Ferdinando Gorges (who had also participated in the Laconia venture) advertised for settlers to "plant in any part of his limits" in Maine, promising them as much land as they needed for a yearly rent of two shillings per hundred acres (which later went up as high as five shillings). These fees, the vestiges of feudal tenure, were quitrents, which were paid not to satisfy a lease but rather in lieu of services that the noble landowner might require. Some of the English investors even profited from a form of sharecropping. Samuel Allen, the Englishman who bought the province of New Hampshire in 1691, explained to a fellow proprietor: "I intend to goe there to take order about settling some servants to improve my Land there. Eyther by granting deeds to them and their heires for ever Reserveing a quitt Rent, which is my waye I take in this province, or putting in Servants of my owne to manage it with a stock, allowing them 1/2 the increase for their paynes, which is the coustoms of these partes."

In these early ventures, English entrepreneurs pioneered the techniques of settler recruitment and land renting later used by town founders. But most of the New World's first businesses



Deed from Indian chief Masconomet to John Winthrop Jr. for the land making up the town of Ipswich and its surrounding areas, for the amount of £20, 1637.

failed. Afflicted by diseases, shocked by the inclement climate, sometimes attacked by the Indians, many of the settlers died or gave up, depriving the ventures of their labor. The silkworms and vineyards died in the wintry winds of the new coastland, where most of the absentee investors did not even dare set foot.

But the plantation companies, those corporations created in the early 17th Century to colonize America, carried English business experience to the New World. They also brought a radical new view of land, which to them was not so much a hereditary holding as a transferable asset: a dividend to be paid to shareholders, a commodity to be sold to settlers. Two of the first plantation companies were the Plymouth Company and the Massachusetts Bay Company.

Several months before the Separatists left Leiden, they drafted an agreement just as important as the more famous Mayflower Compact that followed. This business covenant established the financial arrangements between the Pilgrims and their backers in

London: the "planters," as the Pilgrims were called, agreed to contribute their labor toward building a profitable venture in the New World, while the investors, or "adventurers," put up their capital. Each planter received one share for venturing himself and an additional share for every ten pounds he ventured; the adventurers remaining in London bought stock at the rate of ten pounds a share. At the end of seven years, the company's profits and capital assets — lands, buildings, and livestock — were to be "equally" divided among the "whole company" of planters and adventurers, in proportion to the number of shares held by each. (Four years before, the Virginia Company had pegged its shares at £12 10s, and ordered land distributed at 100 acres per share.)

The founders of the Massachusetts Bay Company, some of whom had also invested in the Plymouth Company, devised similar financial arrangements. They pledged to pay dividends in land: 200 acres for every 50 pounds subscribed. When the colonists went to America, the joint stock was dissolved,

and the Massachusetts Bay Co. became more a commonwealth than a business. But the company's business functions did not all cease. As late as the 1650s, the General Court was still granting parcels of land as "dividends" on the stock subscriptions of adventurers.

Some of the early colonists, having been shareholders and even officers of the Plymouth Company, the Dorchester Company, the Massachusetts Bay Company, and other plantation companies, were familiar with these corporate practices. The leading founder of New Haven, Theophilus Eaton, had been deputy governor of the East India Company. New England's first leaders needed no coaching in how to put together a business corporation. Nor was it a great logical leap to apply the principles for settling a colony to settling a town. Many problems, particularly the question of holding and dividing land, were identical. The very first towns of New England, which were founded not by colonial legislatures, but directly by the plantation companies, were governed by the same

Do you make this common everyday mistake in speaking Chinese?

Take the phrase: "。務服收交券証國美非的所易交券証港香供提們我"

Most brokers would translate this to mean: "Clearance non-U.S. securities for the Hong Kong Stock Exchange provide we." They forget that the rules are different for Chinese. Sometimes it reads from left to right. Other times from top to bottom. And in this case from right to left.

The literal translation is, of course: "We provide the Hong Kong Stock Exchange for non-U.S. securities clearance." Or, as we would say it: "We provide clearance for non-U.S. securities on the Hong Kong Exchange."

Language isn't the only difference between the East and the West. Which is where we come in. Through Ernst International, we provide execution and settlement for non-U.S. securities on the Hong Kong, Tokyo, Pacific Rim Area, and Australian Exchanges. We have local people on the spot who know the local customs and the lingo.

To find out how this can be translated into profits for you, call William P. Behrens, Senior Managing Director and CEO, (212) 898-6217 or Daniel J. Cristofano, Managing Director, (212) 898-6220.

ERNST & COMPANY

Members all principal exchanges SIPC

One Battery Park Plaza, New York, NY 10004-1405

business principles.

Plymouth was such a town. Before the seven-year deadline for distributing the company's assets ran out, the planters in Plymouth bought out their partners in London. But the Pilgrims did not drop the principles that had governed their joint-stock company. Although they proceeded to divide land among many more people, they did so according to shares: 20 acres per share. Salem, the next town founded as the outpost of an English company, had a similar beginning. The Dorchester Company started this village in 1624, then conveyed it to the Massachusetts Bay Company when the Dorchester Company dissolved. In 1629, Governor Endicott divided land at Salem among adventurers according to the capital they had subscribed. Dover, New Hampshire, also begun as a company town, distributed its land as dividends among shareholders.

When the colonists set about owning, settling, and dividing vacant lands they inevitably followed the example of the plantation companies. Town founders did not seek profit in every case — certainly that was not the primary motive of the founders of Warwick, Rhode Island — but they almost always apportioned rights and responsibilities according to people's interest and acted through a corporate structure resembling the English joint-stock company.

Whether it was a large land company or a single town proprietorship, the parallels between New England land associations and the English joint-stock company are striking. Like the stock company, land corporations limited their beneficiaries to those with shares, held the number of shares fairly constant, fixed the value of shares proportional to investment, and distributed land, raised revenue, and sometimes even counted votes according to shares. Like English plantation companies, both land companies and towns merged public and private affairs, the community and the corporation. Both served public interests while producing private profits. Both treated land as a reward for investment. Both provided an investment opportunity to individuals who could not devote their full attention to the enterprise of town-founding.

Just as English joint-stock com-



New England Towns in the Seventeenth Century

panies induced the gentry to invest in mercantile ventures, so did the corporate structure of New England towns enable city-dwellers to invest in wilderness settlements without becoming pioneers.

No two towns were the same. But every group of town founders had to face the problems of organizing individuals, financing costs, dividing land, and attracting participants. The business corporation, patterned after the plantation companies and the first company towns, answered these needs by uniting people in a common network of obligations and rewards.

The first event in the life of a town corporation was the agreement that created it. Of the more than 60 towns surveyed here, about half had agreements that have survived or are documented. In most cases, agreements bound subscribers to perform certain common tasks: dividing the land, set-

ting their lots, paying rates, and so forth. To hold, manage, and develop the lands in a new town, people needed a secular business organization distinct from the church and congregation. In only 12 of 53 towns — fewer than one-quarter — was the church formed at the same time as the town. In some cases, settlers did not get around to forming a church for up to 20 years after a town was settled. Even in the 1630s and 1640s, settlement usually preceded the establishment of churches.

Although some things could wait, forming the land corporation could not. Founders could do without churches, meetinghouses, and ministers, but they could not live on the land without purchasing it, organizing themselves as tenants in common, and creating a system for sharing costs and dividing the property.

The leaders of the new towns
(Continued on page 28)



"A field anthropologist from the new Museum of American Financial History, sir."

Drawing by W. Miller; © 1992 The New Yorker Magazine, Inc.

Museum of American Financial History

The Museum's mission is to collect and preserve historical financial artifacts, to arrange them in a meaningful permanent display with special exhibits for the public, and to use this material as an educational resource for the nation's schools and the general public.

JOIN NOW!

GET THIS AS A SUBSCRIBER,



_____ 4 issues at \$25 in the US and Canada (\$30 elsewhere). New York state residents please add sales tax of \$2.06.

_____ 8 issues at \$45 in the US and Canada (\$55 elsewhere). New York state residents please add sales tax of \$3.71.

_____ 12 issues at \$65 in the US and Canada (\$75 elsewhere). New York state residents please add sales tax of \$5.36.

AND THIS AS A MEMBER.

_____ \$50 Member

- Notice of Museum exhibits
- Subscription to *Friends of Financial History*

_____ \$30 Student/Senior Member

All benefits listed above

_____ \$150 Donor Member

All benefits listed above plus

- Donor listing in *Friends of Financial History*
- Invitations to special exhibition openings
- 20% discount on all purchases from the Museum Gift Shop Guide

_____ \$500 Alexander Hamilton Society

All the benefits listed above plus

- Society listing in *Friends of Financial History*
- Invitation to Museum's annual reception



Name

Street

City

State

Zip code

Country

Country code

Business telephone

Home telephone

_____ Please charge to credit card: _____ Mastercard _____ Visa _____ American Express

_____ Check or Money Order enclosed

Signature

Card Number

Expiration date

Please mail this form along with your payment to :

Museum of American Financial History
Subscription/Membership Services
26 Broadway at Bowling Green, Room 200
New York, NY 10004-1763

For additional information call (212)908-1519 or fax your request to (212)908-1600

Taking Stock in the Museum of American Financial History

The Museum is delighted to acknowledge the following
for their generous support of our programs:

Charter Members in the Alexander Hamilton Society (\$500 and up)

Don A. Buchholz • Mr. & Mrs. Dwight W. Ellis III • Cantor Fitzgerald
Fried, Frank, Harris • Emanuel Friedman • John E. Herzog
Nemco Brokerage, Inc. • Morris Weissman • Mr. & Mrs. Martin Zweig

Charter Members at the Donor Level (\$150 and up)

Ralph C. Allen • Edward I. Altman • David B. Bostian, Jr. • Bruce D. Burton • Richard Goede
Robert N. Gordon • James A. Herman • Diana E. Herzog • Mary K. Herzog
Mr. & Mrs. David Mack • Marvin Meyer • Robert Neimeth • Martin A. Packouz
William C. Schmidt, Jr. • Stephen S. Wien • Peter M. Toezek • Richard S. Wilson

The Museum is a not-for-profit New York State Regents chartered educational organization.
All Memberships and contributions to the Museum are greatly appreciated, and tax deductible.
For additional information on becoming a member call (212) 908-4519.

Politicians and the Financial Markets at the Museum of American Financial History

In the midst of the presidential campaign, the Museum of American Financial History quietly opened its second exhibit at 24 Broadway. The new show, "Politicians and the Financial Markets," on exhibit through February, 1993, contains artifacts pertaining to different political events, issues and personalities which appear on financial documents. The three segments of this new exhibit are Political Satire, "Selling" or "Decorating" Stocks and Bonds, and Their Own Affairs.

Satirical financial items have long been used in the United States to make political points. The Political Satire segment features objects representing some of the major financial controversies in the United States such as the bitter fight over the re-chartering of the Bank of the United States in the Jack-

son era, the soft money versus hard money controversies of the Greenback Party in the late 19th Century, and the "Frozen Dollar" of Richard Nixon, relating to the price controls he tried to

use to stop inflation in the late 1960s and early 1970s. Satirical currency has been the most common manifestation of this type of propaganda probably because it could be printed and circulated easily.

The idea of using popular political figures to help sell or decorate securities or other financial instruments is the theme of the second segment titled



This \$1000 note is an example of anti-Greenback propaganda. To encourage "easy money," currency not backed by gold or silver, farmers organized the Greenback Party in the mid-1870s. Signed by Benjamin F. Butler, a notorious Union Civil War General and later leading Greenback party figure, this note is a play on the type of language that might appear on currency redeemable in precious metals: "redeemable in gold at the U.S. Treasury in Washington."

"Selling" or "Decorating" Stocks and Bonds. Before the Government issued currency in 1862, the private bank notes that the nation used for paper money frequently carried portraits of political figures. The Mechanics Bank of Memphis note illustrates this well, using three national figures: Benjamin Franklin, a symbol of thrift, Andrew Jackson, a local hero, and George Washington, easily the most popular figure and "the father of our country". What type of company would use the image of modern political figures for this purpose?

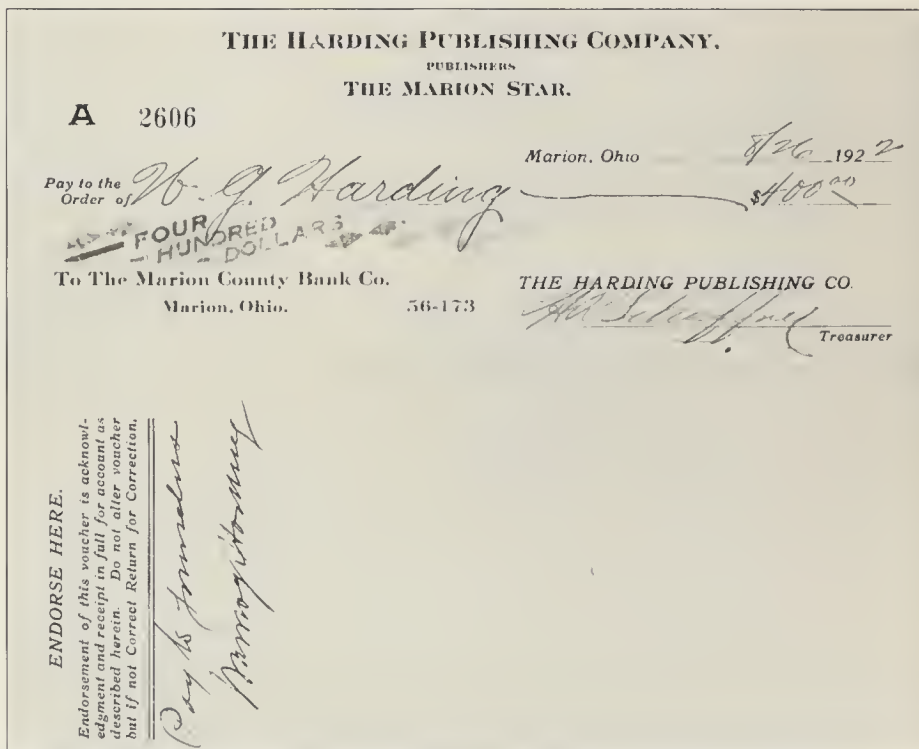
Courtesy of R.M. Smythe & Co. Inc. New York



The Merchants Bank of Memphis \$5 bank note, from 1854, features portraits of three famous American political figures: Franklin, Washington and Jackson.

Their Own Affairs illustrates the contact political figures had with the financial world through their bank accounts, and in some cases, through ownership of securities, or occasionally through their jobs before or after their government service. Some of the objects representing this contact include a check drawn on The Harding Publishing Company, issued to, and signed by Warren G. Harding as president, while he was serving as President of the United States, and a Joy Industries stock certificate registered to Spiro Agnew, with a separate stock power signed by him.

Museum of American Financial History Archives, New York



A check drawn on The Harding Publishing Company, issued to, and signed by Warren G. Harding as president, while he was serving as President of the United States, August 26, 1929.

The objects in this exhibit constitute a very small sampling of the evidence that exists on the interaction of politics and the markets, and are presented for the viewers' appreciation and enjoyment. Although some might say that the capital markets - stocks, bonds, and commodities - are governed by economics and the laws of supply and demand, most observers feel these markets are the most sensitive barometer of anxieties and expectations of investors and speculators with respect to their ever-changing assessments of political events. What do you think?

American Vignettes



Est. 1980

Robert F. Kluge, Owner

GRAPHIC AND HISTORIC STOCKS & BONDS

Advise us of your collecting interests and special requirements for most appropriate offerings.

P. O. Box 155-FFH

Roselle Park NJ 07204

(908) 241-4209



Try getting a computer this excited about your company's stock.

There are some things you just can't get from a collection of microchips and wires. Commitment to a company's stock is one of them. For that, you need a market with a central human element—like the American Stock Exchange.

On the American Stock Exchange, each stock is handled by one specialist, selected by the company, whose primary responsibility is to provide liquidity, tight quote spreads and an orderly and efficient market.

You won't find that commitment on a

computer-and-telephone centered system like NASDAQ. On NASDAQ, there is no specialist—just a group of dealers, sitting at computer screens. Not one of them bears ultimate responsibility for the quality of the market. They're professional traders who can execute their own deals ahead of the public's, and they can stop trading an issue at virtually any time.

Maybe that's why 90% of the companies that transfer from NASDAQ to the American Stock Exchange see an immediate

improvement in market quality.

Now we'll never deny that computers are essential to the modern financial marketplace—for years, we've been a consistent leader in trading floor technology. But until they invent a computer that runs on adrenaline, or one that feels a sense of commitment, we'll count on our specialists to create a market you can get excited about.

For more detailed information, call the American Stock Exchange at (212) 306-1620.

The American Stock Exchange

It's time you traded up.

BOOKS

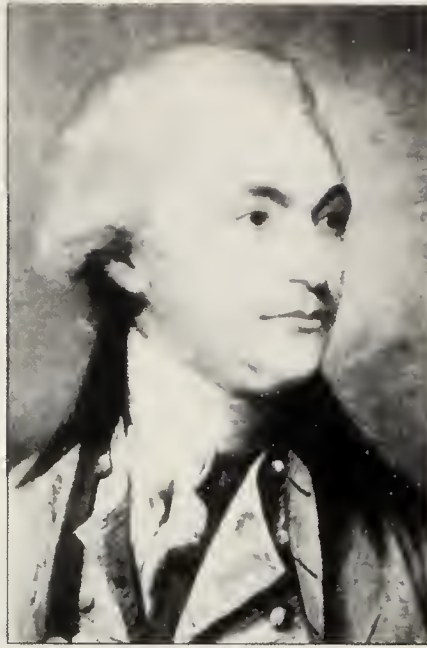
SOMETHING OLD ...

Robert C. Alberts, *The Golden Voyage: The Life and Times of William Bingham, 1752-1804* (Houghton Mifflin, 1969).

Scripophiles readily recognize the name of William Bingham as the first president and manager of the Philadelphia & Lancaster Turnpike in 1791, whose signature appears on that company's stock certificates. Most collectors also know that the parchment certificates of this early, successful turnpike bear the oldest known vignette on a U.S. stock certificate. But the fascination with Bingham should not end there, because he was one of the most influential business and political leaders in Colonial times. His estate produced income for his heirs for 160 years after his death in 1804.

As a Philadelphia merchant, Bingham owned a fleet of ships at sea and 4 million acres of land in Pennsylvania, New York, and Maine. Before the age of 40 he was the richest man in America. Robert C. Alberts' *The Golden Voyage: The Life and Times of William Bingham, 1752-1804* is a complete biography that not only relates the facts of Bingham's remarkable life, but also provides an important view of Colonial life, business and economic activities.

From today's perspective, it is difficult to imagine how one individual could have been so instrumental in so many aspects of the development of the country's commerce. In June, 1780, Bingham was part of the "patriotic scheme of opulent merchants..." of Philadelphia that founded the Bank of Pennsylvania, providing the means to supply the Revolutionary troops. The next year, Bingham founded and was the first director of the Bank of North America, which abandoned pounds, shillings, and pence and adopted dollars and cents. The American \$ sign, however, did not make its appearance until after 1800. Later Bingham advised Alexander



William Bingham, 1752-1804, remembered fondly by his descendants for the "Bingham Estate," which paid royalties well into the 20th Century.

Hamilton on fiscal policy, and was a founder, in 1791, of the Bank of the United States.

While serving the developing nation, his personal commercial activities were even more extensive. Alberts' access to the Bingham papers brings extensive but readable detail to the business dealings that left a trust that existed for 160 years. In his attempt to control his wealth even after death, William Bingham's trust became after 50 years the "Bingham Estate" that renewed itself, functioned, and paid enormous sums annually to an ever-widening number of heirs. Even greater wealth materialized in 1878, when oil and gas were discovered on Bingham's lands in Pennsylvania's McKean County. Oil royalties really began to flow in 1914, 104 years after his death. By 1964 the assets of the estate totaled of \$838,000 in cash. The administration to 315 heirs, some in England, had become so costly that a judge finally terminated the trust. The heirs received shares from \$25 to \$55,000.

The story of Bingham's wealth, acquired as the United States developed, will hold readers' interest throughout. Alberts has provided a valuable insight into the life of the wealthy Colonialists and the economic and business decisions that

laid the foundations of our economy. Full of interesting detail, this is recommended reading for this period of history. *The Golden Voyage: The Life and Times of William Bingham, 1752-1804* can be found in out-of-print bookstores usually for under \$25.

— Ray Boas

... SOMETHING NEW

John Dennis Brown, *101 Years on Wall Street, An Investor's Almanac* (Prentice Hall, 1991, \$26.95).

Not a normal financial history book, *101 Years on Wall Street* records, analyzes, correlates, and explains past events as they affected the financial markets year by year from 1890 through 1990. One-third of the book is yearly retrospects, usually of a page or two that gives you a brief window into that year. Along the way, you learn lots of odds and ends about panics, crises, and the movements of individual stocks. To illustrate, General Motors fell by 39 points the black war days of July, 1914, and hit a high of 850 in late autumn 1916. The Dow's annual gain of 81.7% in 1915 has never been challenged. The worst annual loss — 52.7% — was in 1931 not, as I had thought, in 1932. Looking back now, the 1949 low offered rare bargains by any historic measurement. In 1953, Friday, October 9, was the last day that NYSE volume was less than one million shares with only 900,000 shares traded.

Why did Brown take 1890 as the first year? Because it is the first full year of statistics for a Dow Jones average which can be tracked continuously up to present times. So the book continues with forgotten facts as the price level keeps charging upward. Numbers expand and we can't really imagine what it was like before speeded telecommunications and computers. There is advice for the 1990s with common sense suggestions of what to look for and how to treat yourself as an investor.

The major bull markets since 1890 are discussed in chronological order with charts as useful guidelines along with other, shorter-term

AMERICA'S
MOST IMPORTANT
ANTIQUE STOCK
AND BOND EVENT



THE **6**TH ANNUAL STRASBURG
STOCK & BOND
AUCTION & SHOW

Historic Strasburg Inn
in the heart of the Amish Country
For reservations call (717) 687-7691
or fax (717) 687-6098

Friday, Saturday, Sunday
January 22, 23, 24, 1993

Catalogue \$12.50

DON'T MISS
MEMPHIS 1993!

A SPECTACULAR PAPER
MONEY AND STOCK & BOND
AUCTION & SHOW

June 17th - 20th, 1993

Featuring:
U.S. and Foreign
Paper Money, Stocks &
Bonds, Fiscal Paper
and Related Items

*ACCEPTING
CONSIGNMENTS NOW!*

Please consign early as space is limited.
Send \$12.50 for catalogue & prices realized.



We Buy,
Sell and
Auction a
Wide Range
of Collectibles

26 Broadway - Suite 271, New York, NY 10004-1701
(212) 943-1880 • Fax: (212) 908-4047

Call 800-622-1880 Toll Free

**ESTABLISHED
— 1880 —**

We Research
Obscure Stocks
and Bonds to determine
their values as securities
(Single Items to
Entire Archives)

bull sequences. Brown lists all the buying and selling panics, including important one-day buying panics. A short discussion of the Dow Jones stock averages lists the 20 original rails and the 12 original industrials, along with more historical records and market activity records.

The decennial pattern of each year's gains and losses is explained with examples on a monthly basis. Use this as a dictionary or reference book rather than as an easy read of financial history. The glossary is adequate and the index is useful. You can treat Brown's book as a full pool of information that can be dipped into at any time. You can always find something that might help you to understand whatever is happening in the market today. Plus, you learn a bit about the past. That is not all bad.

— James L. Fraser

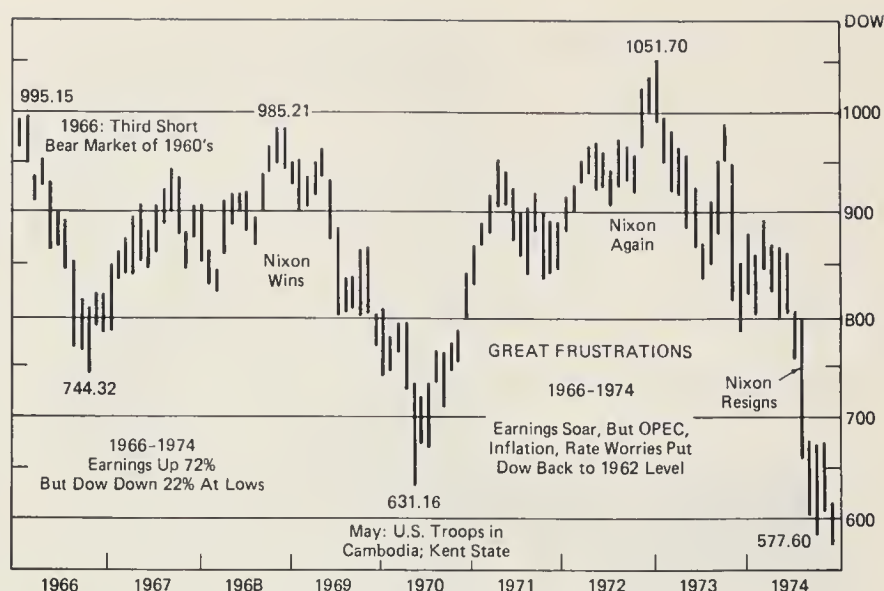


Figure 4.8 Dow Jones Industrial Average, 1966-1974

Two of the many charts found in Brown's book, which clearly illustrate market reaction to various events in American and world history over the past hundred years.

Books Received

(Listing does not preclude further review.)

Axtell, James. *Beyond 1492: Encounters in Colonial North America* (Oxford University Press, 1992, \$14). A paperback collection of essays that attempt to illustrate the nature and moral consequences of the relationships between Europeans, Africans and Indians from 1492 to 1792 in North America. Although this work looks primarily at the cultural interaction between of the times, Axtell does examine the economic factors that were a part of these relationships.

Fritz Stern, *Gold and Iron: Bismarck, Bleichröder, and the German Empire* (Alfred A. Knopf, 1991, \$40). An extensive look at the complex relationship between Bismarck, the prominent leader of Germany in the late-19th Century, and Bleichröder, Bismarck's private banker, and more importantly, his confidant in politics and diplomacy for three decades. Stern goes on to explore the relationship that existed between Bleichröder and a social hierarchy that saw Jews as a foreign and inferior group.

David A. Vise and Steve Coll, *Eagle on the Street* (Collier Books, Macmillan Publishing Company, 1992, \$14). The paperback reprint of the 1991 Pulitzer-Prize winning account of the SEC's battle with Wall Street. A look behind the scenes at the SEC and an account of how Reaganomics and SEC chairman John Shad brought deregulation to the stock market and helped fuel the great bull market while planting some of the seeds for the 1987 crash.

TABLE 9-4 WAR AND THE THREAT OF WAR
Market Reaction to Hostilities*

Event and Date	Short-term Dow change	Dow three months later	Dow six months later	Dow one year later	Comments
War threat with England December 1895	-14.7%	—	—	—	President Cleveland seen to threaten war over Monroe Doctrine violation.
Battleship <i>Maine</i> sunk in Havana February 1898	-14.8%	-6.6%	Plus	—	War on Spain declared on April 25. By then, it had been discounted.
United Kingdom suffered heavy reverses, Boer War December 1899	-12.7%	-5.4%	-3.7%	Plus	London big seller. United States feared U.K. credits would be called.
World War I July 1914	-11.6%	Lower	-3.5%	Plus	Unofficial Dow level of late October was World War I low.
United States and Germany broke relations February 1917	-8.8%	-2.3%	-3.9%	-19.3%	President Wilson's war request cost Dow 6.6% in three-week April period.
World War II September 1939	+16.0	+8.4%	+4.0%	-5.5%	Market held gain until May 1940 "blitz."
Pearl Harbor December 1941	-8.8%	-10.3%	-10.5%	-1.2%	Pearl Harbor Dow level not crested until January, 1943.
Korea June 1950	-12.0%	Plus	Plus	Plus	Dow at record high by December 1950.
Cuban Missile Crisis September-October 1962	-8.2%	Plus	Plus	Plus	Dangerous October confrontation over in few days.
Gulf of Tonkin August 1964	-2.1%	Plus	Plus	Plus	LBJ: PT boats attacked two U.S. destroyers.
Iraq invaded Kuwait August 1990	-14.5%	-14.2%	-5.8%	Plus	American troops arrived in Saudi Arabia August 8.

*20-Stock or Dow Rail Average in 1895, 1898, and 1899. Dow Industrials thereafter.



Proud Supporters of the
Museum of American Financial History

N E M C O
BROKERAGE

Stephen A. Cooper
Life Insurance
Benefit Consulting & Related Services
14 East 60th Street, Suite 1000
New York, NY 10022
(212)421-5700

An American Dealer in a Foreign Land

Recollections of the 31st International Stock and Bond Auction and Collectors Meet

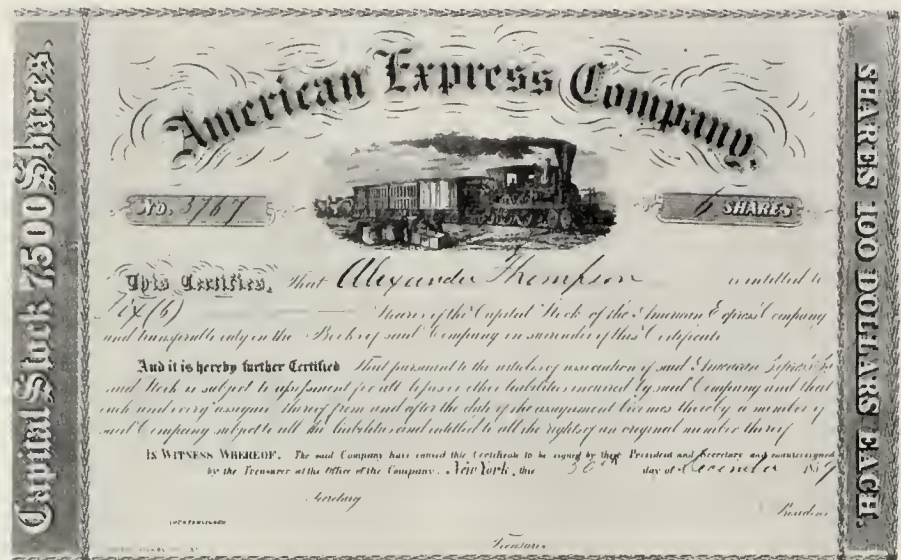
By David Strebe

In mid-September, I attended the 31st International Stock and Bond Auction and Collectors' meet in Frankfurt, Germany. As a full-time stock and bond dealer, I had attended many similar events, including the Memphis Paper Money show and the Strasburg auction. On my first visit to an auction and show outside the United States, I felt somewhat apprehensive. My concerns were quickly put aside. There were a number of familiar faces from both sides of the Atlantic. Bruce Heiner, Richard Urmston, and Scott Winslow, all dealers from the U.S., were selling securities at the show. There were a number of familiar European dealers who frequently travel to the U.S. shows, and they were all very hospitable to their foreign guests. And I was relieved to learn that most Europeans speak English; even so, they seemed to appreciate my clumsy attempts at **deutsch sprechen**.

A number of collectors arrived several days before the auction and quickly began trading securities. The main activities of the weekend centered on the 824 - lot auction on Saturday and the bourse on Sunday. The auction was quite successful, but not very exciting to most American collectors. Auctions are run differently in Europe: Each lot has an estimated value, as is typically the case in the U.S., but at the Frankfurt auction, the estimate was also the minimum or "start" bid. This estimate is usually about the going rate for the lot, so the lot generally sells at the "start" bid or does not sell at all (the item is passed). So bidding is short and sluggish.

Roughly 5% of the lots were American certificates, including a number of Confederate state bonds. The few American lots seemed to fare well. Six different varieties of American Express sold; the most impressive was

Courtesy of R.M. Smythe & Co. Inc.



This American Express Type II certificate features the popular train vignette and is signed by Henry Wells, December 30, 1859. A similar certificate went for nearly \$4,000 at the recent auction in Frankfurt, Germany.

a Type II, featuring the attractive train vignette, signed by William G. Fargo, Henry Wells and Alex Holland. This lot sold for 5800 DM (about \$3,875). A Missouri, Kansas and Texas Railroad certificate signed by John D. Rockefeller sold at the "start" price of 3700 DM (about \$2,500). A Playboy certificate went for 450 DM (\$300) and a decorative Ringling Brothers from 1969 brought 1000 DM (about \$670). A Mortgage bond signed by Antonio Lopez de Santa Anna failed to meet the reserve price of 2750 DM (\$1850). Confederate bonds seemed strong, with about twenty lots being sold.

The vast majority of the auction lots were European certificates. And the types of European lots that were selling showed that European collectors value graphics more highly than Americans do. Some very beautifully printed stocks and bonds brought high prices at the auction, including an 1872 certificate from the Frankfurt Zoo that fetched 4000 DM (\$2,700) in spirited bidding. However, an even greater amount of activity was seen on the plain, his-

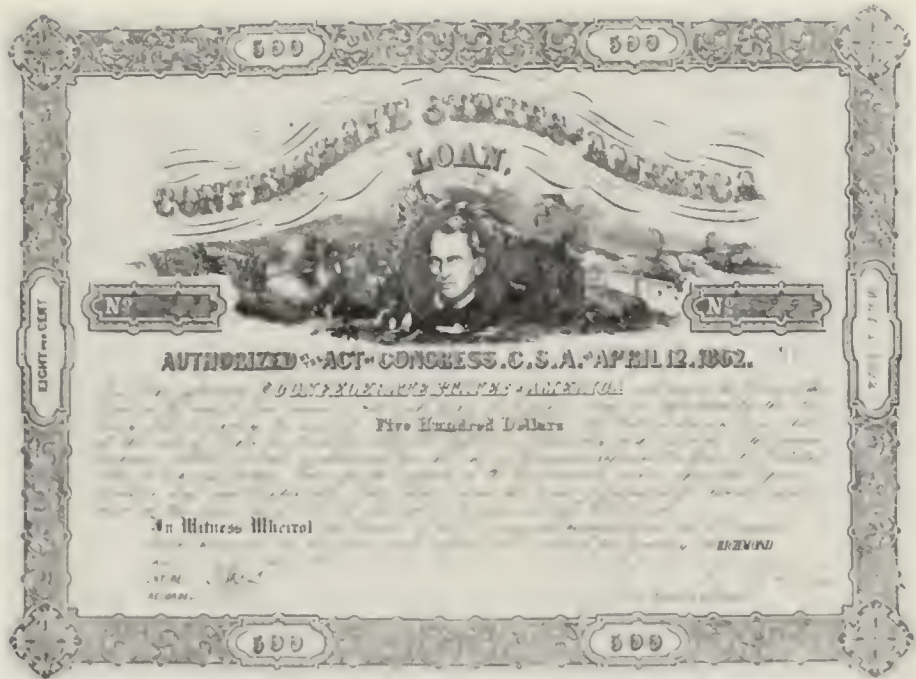
torically important pieces. This was apparent in the excited bidding on a 1856 Bank of Frankfurt stock certificate that looked quite ordinary to me, but fetched 13,000 DM (about \$8,700)! To an American collector this bidding style did not seem to have much rhyme or reason. The total gross at the auction was 425,795 DM (\$290,000).

Overall, the show was not as exciting as I had anticipated. The crowd was large and enthusiastic, but at least two-thirds of those attending appeared to be looking for a particular European issue. Those who were looking for U.S. securities seemed to face the same problem that often occurs at American shows: there was not enough fresh material on the market. It was surprising that 98% of all the U.S. material I saw consisted of the more common items seen at the American shows. Still, activity in the U.S. material was encouraging.

Generally, German collectors were not as fluent in English as the dealers and hotel staff, but commu-

nication was possible. The Sunday show was very busy from start to finish. When it was over, I had a greater appreciation of the worldwide scope of scripophily, as well as a fondness for Germany's people, language, and food. I recognized the difficulties of participating in a securities show in a foreign country: the limit to the amount of stocks you can fit in your luggage, the different currency and language, as well as fatigue from the trans-Atlantic flight. As a result of my experiences, I plan to extend every kindness possible to the foreign dealers attending the Strasburg show in January, 1993, and the Memphis show in June, in the hope of making them feel as welcome as they made me.

Auf Wiedersehen!



Confederate States of America, \$500 loan at 8%, "authorized by the act of Congress, C.S.A. of April 12, 1862." Confederate material continues to be popular among European collectors.

THE MUSEUM OF AMERICAN FINANCIAL HISTORY WILL HONOR EDWARD I. O'BRIEN, PRESIDENT OF THE SECURITIES INDUSTRY ASSOCIATION, AS THE FIRST RECIPIENT OF ITS AWARD FOR "OUTSTANDING SERVICE TO THE CAPITAL MARKETS." THE PRESENTATION WILL BE HELD AT THE MUSEUM'S ANNUAL BENEFIT ON WEDNESDAY, JANUARY 13, 1993, AT 6:00 P.M. TICKETS ARE \$100 A PERSON AND INCLUDE A ONE YEAR BASIC MEMBERSHIP. ALEXANDER HAMILTON SOCIETY MEMBERS WILL BE OUR COMPLIMENTARY GUESTS. OUR THIRD ANNUAL BENEFIT WILL BE HELD AT THE UNIVERSITY CLUB, COUNCIL ROOM, 7TH FLOOR, ONE WEST 54TH STREET, NEW YORK, NEW YORK. IF YOU WOULD LIKE TO JOIN US IN HONORING MR. O'BRIEN, PLEASE CONTACT ANNE KEANE OR TOM TROTT AT (212) 908-4519 FOR MORE INFORMATION, OR MAIL YOUR CHECK TO THE MUSEUM OF AMERICAN FINANCIAL HISTORY, 1993 BENEFIT CAMPAIGN, 26 BROADWAY, ROOM 200, NEW YORK, NY 10004-1763.

The Museum is a New York State Regents chartered non-profit educational service corporation.

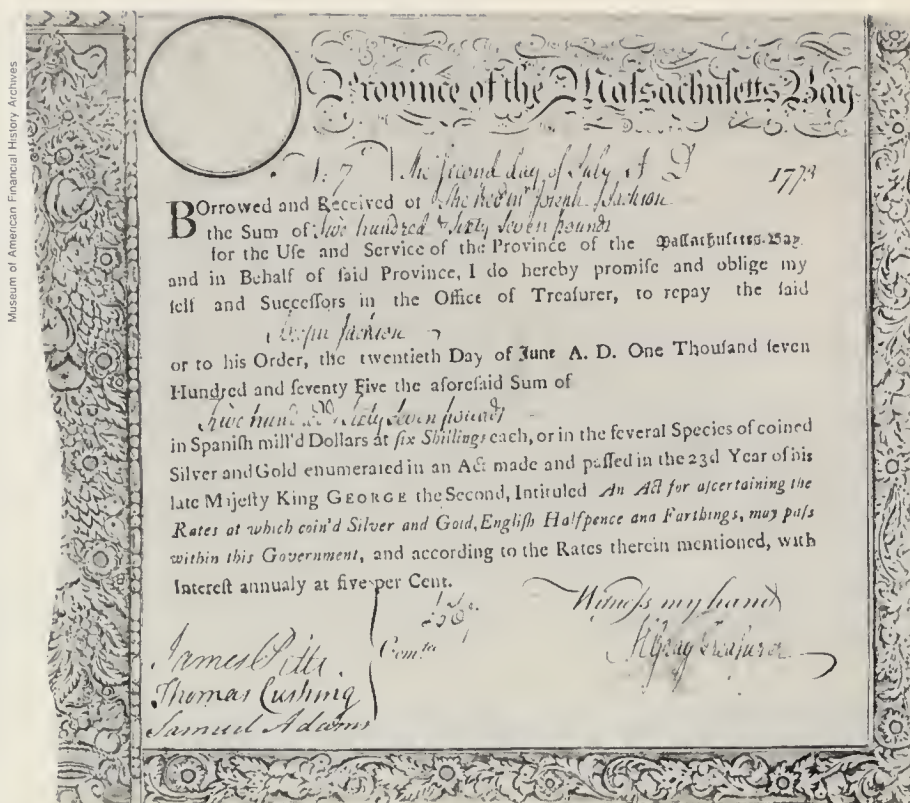


often got the equivalent of the "golden handcuffs" that bind modern business executives to their companies. Ipswich tried to keep its founder, John Winthrop, Jr., from leaving by granting him large portions of land. "This remote Corner," Ipswich settlers wrote in a plaintive petition to the General Court, "would be left destitute and desolate" if Winthrop departed. It was "for his sake that many of us came to this place."

So towns often gave land to prominent men without even requiring them to live there. The most dynamic of these figures profited handsomely by imparting their status to several towns, each of which would then grant them property. As they shifted their support to new settlements, these town promoters kept their lands in the old towns; thus they built the first fortunes in North America. One such entrepreneur, Cornelius Waldo, was born in England in 1624. Coming to New England, he moved to Ipswich, then helped found Chelmsford, Mass., in 1654, and then turned up in Dunstable. Waldo also was one of the investors in the Wamesit Purchase in 1686, a venture launched to start a settlement on the Merrimack River, which eventually became Lowell, Mass. Waldo did not own vast estates, but he did help start new towns and kept property and businesses in the towns he left behind.

But these entrepreneurial frontiersmen alone were not enough to ensure a town's success. Settlements needed political leaders who could secure the approval of the General Court. For their legal work, these leaders often gave themselves, or were given, shares in the new towns entitling them to large tracts of land.

One of the most prominent settlement entrepreneurs was Daniel Gookin, who held many important offices in the Bay Colony, including superintendent of Indians and major general, or commander in chief, of the colony's forces. His involvement in the founding of Worcester shows how the early town corporations worked. In 1664, several individuals purchased a large tract of land on the site of what would become Worcester. The next year, the court appointed Gookin and three other men to survey the site and report on its



Province of the Massachusetts Bay receipt, July 2, 1773, issued to Reverend Joseph Jackson, for the loan of £567 "for the use and service of the Province." The signature of Samuel Adams, as a committee member, appears in the lower left.

suitability for a town. A few years later, Gookin helped lay out the town and drew up "foundation principles and Rules concerning the affayres of that place." These orders provided, among other things, that each inhabitant should receive at least one 25-acre lot and that all public expenses should be paid out of "a common Stock raised upon the inhabitants in proportion according to their respective grants and house lotts."

The purchase of stock entitled a shareholder to own property and build upon it, as well as to share in the benefit of public services. Gookin and his committee accepted 30 men as inhabitants and in 1675 laid out their lots in the new town. Among them were Dr. Leonard Hoar, then president of Harvard and a resident of Cambridge; Ephraim Curtis, a large landowner who lived in Sudbury; and Gookin.

Although not all these men settled in Worcester, they all were useful as financiers who helped fund the "common Stock" that would build the town. But almost immediately, war broke out with the Indians, and the settlement was destroyed. After several years of abandonment, Captain Daniel Henchman (who was also a committee member and fellow grantee) led the resettle-

ment of the town in 1682. In return, he and his "undertakers" received 200 lots of land. Under this arrangement, the original grantees in effect subcontracted the settlement obligation to a company of "undertakers." The scheme worked, and Worcester, after still more fighting with the Indians, went on to become one of the colony's leading towns.

The political leadership of a new town carried great economic power. Gookin and his colleagues were first appointed by the General Court as public officers who would examine, evaluate, and help settle the land. Yet at the same time they acted as the directors of the proprietors of Worcester. They held rights to the undivided land (which they parceled out among themselves), convened proprietors' meetings, and rented and sold their lands there. In the covenant they drew up for inhabitants, the committee members stressed that the plantation had been granted by the General Court "unto" Gookin and the three other members of the committee. Not only did these men supervise the town; they also appear to have owned it. In the founders of Worcester, personal interest was married to public duty. And the

AMERICAN FINANCIAL HISTORY

STOCKS, BONDS AND FINANCIAL DOCUMENTS HIGHLIGHTING
THE HISTORY OF GOVERNMENT FINANCE, WALL STREET
AND AMERICAN ENTERPRISE.

WE ARE ONE OF AMERICA'S LEADING DEALERS SPECIALIZING
IN BETTER QUALITY FINANCIAL INSTRUMENTS, LETTERS, DOCUMENTS
AND AUTOGRAPHS RELATED TO AMERICA'S FINANCIAL HISTORY.

Early Letter of Philadelphia Letter
I do promise to pay to *Hugh Roberts* Treasurer of the Penn-
sylvania Hospital, or his Successor in the said Trust, the Sum of
Twenty Pounds current Money of Pennsylvania, with lawful Interest for the same, on
or before the *first* Day of *April* next ensuing. To the which
Payment well and truly to be made, I do bind myself, my Heirs, Execu-
tors, and Administrators, in the penal Sum of *Twenty Pounds*
current Money - - - - - = Money aforesaid. In Wit-
ness whereof, I have hereunto set my Hand and Seal, this *first*
Day of the *first* month One Thousand Seven Hundred and
Fifty. *June 1759* -

Scaled and delivered in
the Presence of

Sam. Pemberton

X

Cal. H. H. H.

Early subscription to the financing of America's First Chartered Hospital

FOR A COPY OF OUR NEXT CATALOG
PLEASE CALL US TOLL FREE IN USA (800) 225-6233

OR WRITE TO US.

SCOTT J. WINSLOW ASSOCIATES, INC.
PO BOX 10240
BEDFORD, NEW HAMPSHIRE 03110 (USA)

OUTSIDE USA (603) 472-7040 • FAX (603) 472-8773

absentee owners held the reigns of power for decades: In 1732, the proprietors of Worcester debated whether to name a resident as town clerk for the first time, nearly 60 years after the town was first settled.

Some early towns — New Haven, Exeter, and Hartford foremost among them — were launched by ministers seeking a religious refuge. But many — probably most — were founded with the assistance of people who had no interest in settling on the frontier and who instead expected to make a profit as a reward for their long and arduous work. In 43 of the 63 towns studied here, non-residents owned land. Additional absentees owned land through other entities, primarily land companies and individual speculative ventures.

The numerical evidence alone is a striking indication that those who shouldered the burdens of town-founding must have been motivated by the expectation of profit: Of the 66 commoners of Dedham who held the original tract of Deerfield, not a single one

became a permanent resident of Deerfield. Of the 113 Cambridge grantees of the tract that became Billerica, at most two settled there; fully 60% of the town's land was owned by absentee investors, including Governor Winthrop, Governor Dudley, Daniel Gookin, and Harvard President Henry Dunster. The same pattern held not only in Massachusetts but up and down the seacoast, in Maine, New Hampshire, Connecticut, Plymouth, and Rhode Island.

Town promoters also owned far more acres than did the average New Englander; the median landholdings among these leaders was 950 acres, more than ten times the median for the population at large. Their pattern of landholding — huge quantities, chopped into parcels, scattered far and wide — is testimony to their entrepreneurial interest in land.

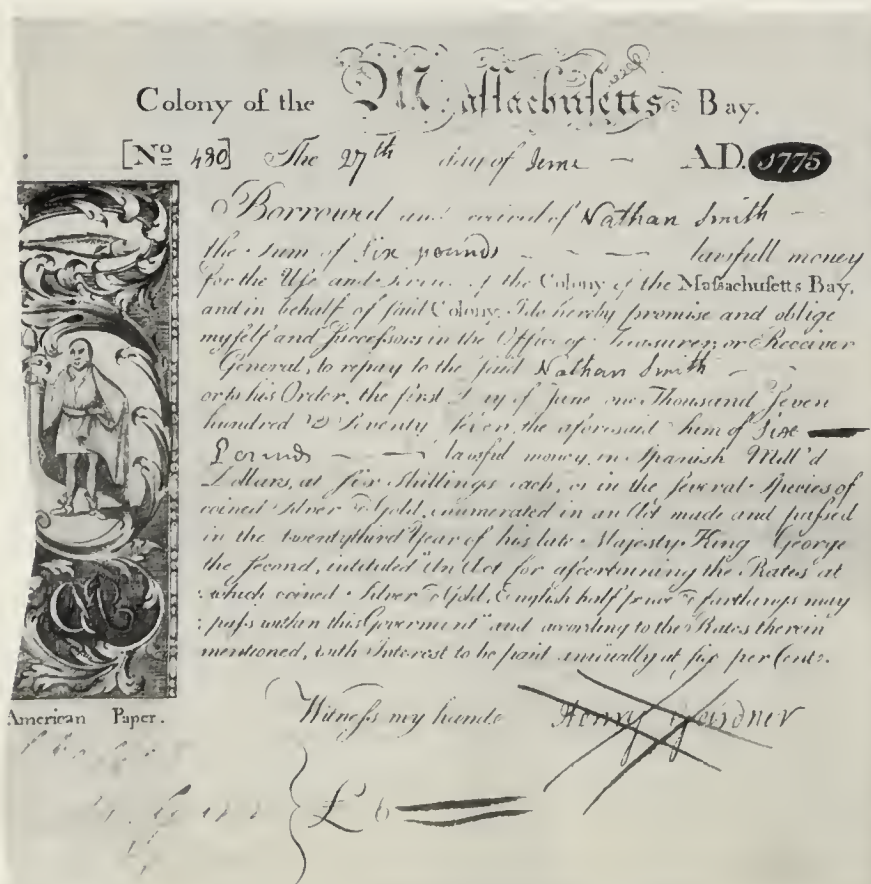
How did these pioneering speculators make money? First, town promoters sold their rights to the undivided lands and pasturage. Of the original Deerfield owners (all of whom

were nonresident), many sold their rights to other nonresidents like John Pynchon and Governor Leverett. A market in land shares — probably the earliest securities traded in North America — sprang up by the mid-17th Century. Nearly all the shares of Sowams changed hands in the 1650s, as did the shares of the Deerfield proprietorship in the 1660s and 1670s. Instead of trading land, the investors in Billerica more often conveyed land rights; proprietors in the towns of Northfield, Oxford, Worcester, Norwalk, Rowley, Bristol, Swansea, and Warwick all traded their rights to undivided land.

As the result of being transferable, shares were also divisible, just like the shares in Elizabethan joint-stock companies. Cambridge had 238.5 “cow commons” by 1665, and Manchester had 29.25 “shares” by 1678. In Rehoboth North Purchase (later Attleborough) in the 1660s, there were 79.5 shares. In Ipswich and elsewhere, people frequently owned double shares, or two shares, and sometimes more.

Second, absentee owners sold town lots or large farms in towns: Edward Collins bought most of the land in Medford from Mathew Cradock's estate in 1652 and then proceeded to sell parcels in later years (including one 400-acre lot for £404). Of the 51 owners of home lots in Norwalk, Connecticut, during that town's first twenty years, fourteen bought their lots from original shareholders. Third, town promoters sold tracts outside the towns to speculators or settlers who gambled that the towns would soon expand into the neighboring wilderness: In 1672 Daniel Gookin sold to Boston's Simon Lynde a farm in the Pequot country for £206 only a few years after receiving the grant for free.

Fourth, absentee owners could reap rental income from their lands. Shareholders of the land companies operating in Rhode Island, the Atherton and Pettaquamscutt ventures, put tenants on their lands. The settlers of Braintree complained about the nonresidents who owned the bulk of the town's land and rented it at “dear rates.” Governor Simon Bradstreet rented his lands in Lynn, Topsfield, and Andover, with the last one bringing in £5 a year. And between 1652 and 1702, nearly one-third of all the adult males in Spring-



Colony of the Massachusetts Bay, June 27, 1775, indented note, with an illustration featuring a codfish, a patriot holding a liberty-capped staff, the monogram “CMB” and “American Paper.” The Colony, by this time, had come quite a way from its early governance by John Winthrop, Sr., who strongly opposed democratic tendencies.

STOCKS AND BONDS SOUGHT AND SOLD
MINING, RAILROADS, AUTOMOTIVE, PETROLEUM
UTILITIES, BANKING & GENERAL ISSUES

Wholesale prices available to bonifide dealers.
Please send request on your company letterhead.

Price Lists and Catalogs issued periodically.



JOHN HELEVA • Box 375 • Fair Oaks, CA 95628

TEL. (916) 781-2991

FAX (916) 781-6564



We issue illustrated
sales lists several
times a year.

W. H. COLLECTABLES LTD.
500 CHESHAM HOUSE,
150 REGENT STREET,
LONDON W1R 5FA
ENGLAND

Containing an interesting
selection of Aircraft, Automobile,
Banking, Government loans,
Mining and Railway Bonds and Shares
(Including U. S. Railway Bonds
found & issued only
in England).

Also beginners starter
packets up to
Dealers bulk lots.

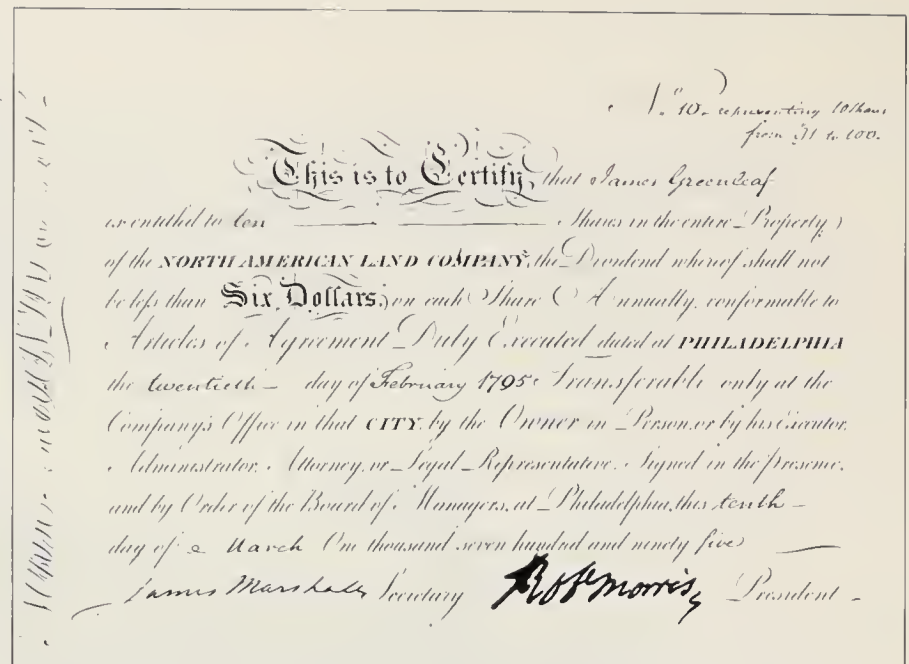


field rented either land or livestock from John Pynchon.

But these receipts were not just the noblesse oblige of an indolent upper caste. When town promoters helped found a settlement, they assumed a responsibility to people the wilderness, even when they remained absentee owners. For town promoters to have any hope of making a profit, they needed settlers who would risk the dangers of the frontier for the sake of having land. Sometimes, as in Pynchon's case, the settlers in a town were tenants of the promoters. But in many other cases, the cash flowed in the other direction: To attract inhabitants to what were considered remote and undesirable lands, the town promoters had to pay them. Whichever way the cash flowed in this relationship, the town promoters contributed not only their money, their contacts, and their organizational talent — but also, through their recruitment efforts, even the bodies. The profits earned by the promoters rewarded them for the substantial risks they consistently took with their capital.

Thus in Worcester, a group of “undertakers” shouldered the burden of finding and paying for settlers, reserving lots for themselves as compensation. Westerly’s nonresident owners, who included the most prominent men of Newport, were so eager to populate their lands that they offered £5 to each settler; in 1662 the company assessed each proprietor £8 per share to pay for this expense. In the 1690s, the grantees of New Roxbury, Mass., split themselves into two groups: the “goers” who were to settle in the new town and were exempt from taxation, and the absentee “stayers” who enjoyed equal rights to the land and who contributed to the project by financing it.

This structure dates back to the agreement between the Pilgrims and their backers in London, which stated that the “adventurers” would remain in England and provide the money, the “planters” would go to New England and perform the labor, and both would see a return — one group from its investment, the other from its labor. The Massachusetts Bay Company was organized on the same principle. Mathew Cradock was the largest investor in the company; in return, he



The tradition of land companies lived on. This North American Land Company share certificate, dated March 10, 1795, is signed by financier Robert Morris.

was granted most of Medford, Massachusetts, known in the 1630s as “Cradock’s plantation,” which was peopled by Cradock’s employees and tenants and managed by Cradock’s agent. Cradock himself never even set foot in America. Before the Bay Company was organized, Ferdinando Gorges, John Mason, and other English venturers spent considerable money recruiting settlers for their lands in Maine and New Hampshire. And the settlement of New Amsterdam under the Dutch was largely funded by the investors of the Dutch West India Company.

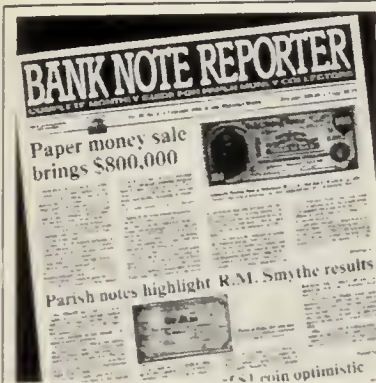
So when the founders of New Roxbury or Worcester or Westerly divided into “goers” and “stayers,” they were using an established model for transatlantic settlement, in which the interests of settlers and financiers were combined in a single enterprise. Both groups were attracted by land: To the goers it would be a new home, while to the stayers it was a commodity. Without either group, the settlements might never have survived.

Throughout New England, certain individuals participated in land development on so large a scale that they constituted a distinct group of entrepreneurs. But to these men, land was just one of many activities that returned a profit and contributed to the expansion of their colonies. Also active in shipping and trade, these entre-

preneurs were not frontiersmen, but wealthy, educated, mostly urban men who often held political or military office. Some of them helped launch four or five towns, and sometimes ten or twenty. They operated in several regions and colonies at once. Often, close business and family relations bound most of these men together in an intercolonial network of commerce.

Plymouth, the first New England colony, was rich in these entrepreneurs. None was more prominent than Thomas Willett, a merchant and military leader who came over in 1630. In 1661, on behalf of the colony, he purchased from the Indians a great tract of land north of Rehoboth and Taunton. He later became a shareholder in these purchases, out of which were formed the towns of Attleborough, Cumberland, Norton, Easton, and Mansfield. Willett also owned property in the town of Plymouth. And he bought half of John Tinker’s share in the Atherton Company of Rhode Island, which gave him a large farm there. In 1665 Willett became the first English mayor of New York, where he died in 1674.

Perhaps Willett’s greatest achievement was helping to manage the Sowams purchase, a tract Miles Standish once described as the “garden of the patent.” Sowams was granted to Plymouth Colony’s leaders — William Bradford, Thomas Prince, Ed-



SCRIP COLLECTORS! Bank Note Reporter is for you!

Scrip collectors! Get more news of your particular collecting interest, every month, in Bank Note Reporter.

Bank Note Reporter is the only independently produced publication that blankets the entire paper money spectrum. You'll get all the news you need. And, you'll find it a convenient way to keep current on U.S. and world notes, plus all other related fiscal paper.

Bank Note Reporter is your one-stop paper money information source. Make sure you're in the know, by entering your subscription now.

Take advantage of our special half-year offer. Or request a free sample issue (U.S. addresses only).

Mail to: Bank Note Reporter
Circulation Dept.
700 E. State St., Iola, WI 54990-0001

Enter my Bank Note Reporter subscription as follows

- ☐ New
☐ Renewal (Extension (attach your mailing label))
☐ 1/2 year (6 issues) \$15.75
 Foreign addresses send \$20.95 Payable in U.S. funds
☐ Send me a free sample issue (U.S. addresses only)
☐ Check or money order (to Bank Note Reporter)

Name _____
 Address _____
 City _____
 State _____ Zip _____
☐ MasterCard/VISA
 Credit Card No. _____
 Expires Mo. _____ Yr. _____
 Signature _____
 Note: Charge orders will be billed as Krause Publications ABAD: N

Correction...

In our last issue, we incorrectly identified the five illustrations that appeared on pages 14, 15 & 16 as belonging to the CIGNA Museum and Art Collection. The only illustrations that were loaned to *Friends* by the CIGNA Museum & Art Collection were those of Ebenezer Hazard and Samuel Blodget, Jr. Those lent to us by the CIGNA Archives were: the Universal Tontine certificate, the first page in the 1792 subscription book of the Insurance Company of North America, the first office of the company, a 1792 hand-written policy written by Hazard, and a 1797 share certificate for the company. Our apologies to CIGNA for this mix-up.

Scripophily Knowledge, Books and Research for Sale

"David M. Beach has been universally regarded as a leading expert since 1978."

I have an extensive research library that has cost me over \$50,000. The library includes a complete set of Poor's Railroad manuals, including the first extremely rare volume of 1860, as well as the 1868-69 through 1903. Each listed railroad is described in detail including financial information, bonds, board of directors, etc.

- I will provide you with the appropriate pages from Poor's for your railroad stocks and bonds for \$10 per railroad, or 13 for \$100 (I can also research some RR's back into the 1850s).
- I will research your pre 1910 mining certificates for \$12.50 per certificate, or 10 for \$100. I have 300 mining books including many going back into the 1860s. Many stocks were incorporated in NY, but actually were located in Colorado, California, New Mexico territory, etc. Pinning down the state can greatly increase the value of your mining stocks. Many \$25 Colorado stocks have been turned into \$150 Cripple Creek stocks - or \$400 Colorado territory items.
- I will research any stock or bond for important signatures including the President, Secretary/Treasurer, the person it was issued to, and any signatures on the reverse. Many \$25 stocks have been turned into multi hundred dollar stocks through autograph research. Price \$12.50 per stock or 10 for \$100. I will also provide you with biographies and pictures if available on any discoveries.
- I have an extensive library of scarce to rare business and finance histories and biographies of important businessmen and robber barons, as well as many railroad books. Please send a large SASE with 2 oz. postage for my free list.
- I will help educate beginning and intermediate collectors with up to five hours of telephone conversation regarding this great hobby. I can tell you what to look for, what to avoid, how to get the most for your money, how not to make the mistakes that almost all beginning collectors make. In short, I'll give you \$5000 worth of knowledge for \$195.

David M. Beach
 Paper Americana
 P.O. Box 2026 Goldenrod, FL
 32733 (407) 657-7403
 Fax (407) 657-6382

BUYING
 HIGHEST PRICES
 PAID!

See our HUGE inventory
 when visiting ORLANDO
 and DISNEYWORLD
 PHONE FOR AN APPOINTMENT

- 1. CIGAR BOX LABEL SAMPLE BOOKS AND LABELS**
- 2. JAY GOULD SIGNED ANYTHING (LETTERS ETC.)**
- 3. LETTERS BY OTHER EARLY BUSINESSMEN**
- 4. COLORADO MINING DIRECTORIES**
- 5. OLD STOCKS AND BONDS**

Especially Western Mining And Railroads
 and Stocks and Letters Signed by Famous People But All Wanted!

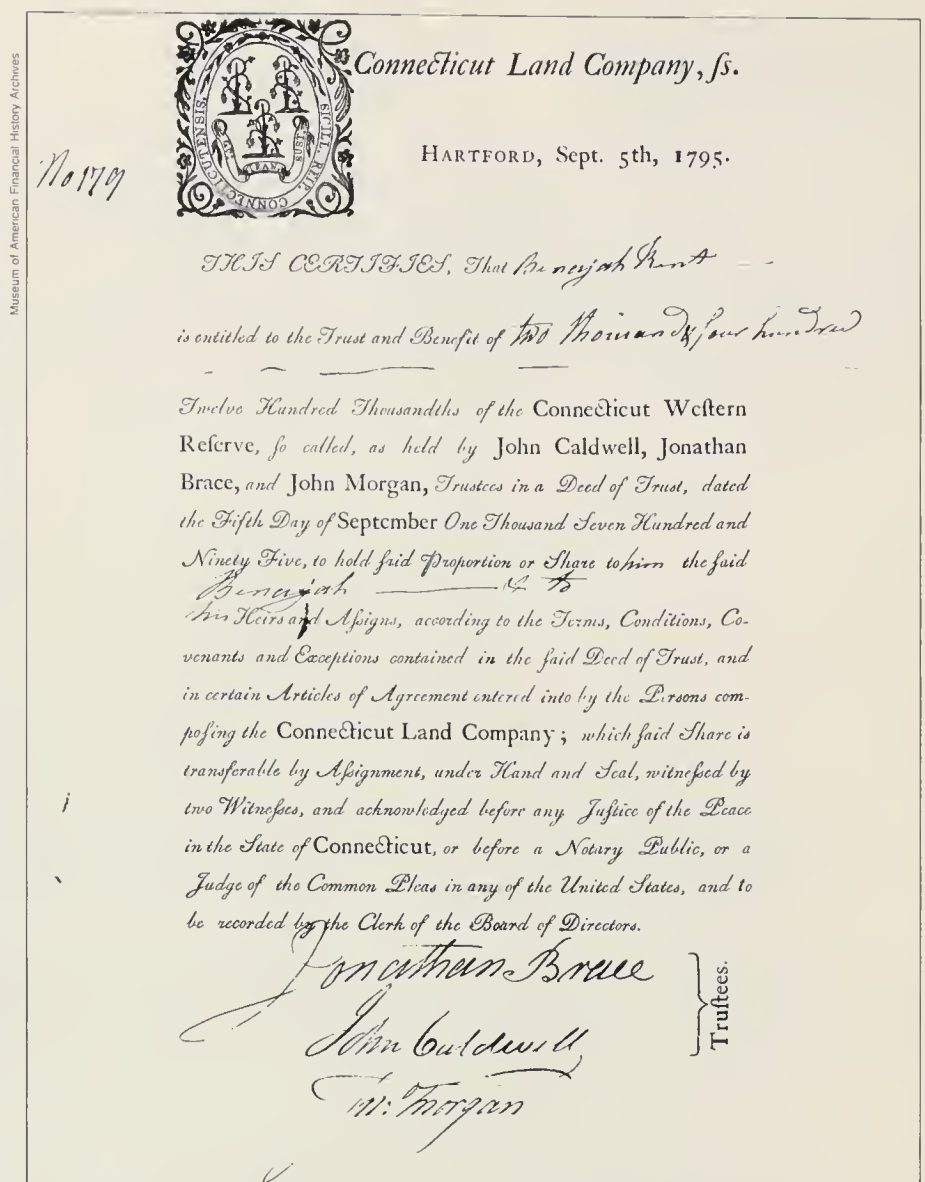
I want to buy Jay Gould, James Fisk Jr., Daniel Drew and Commodore Vanderbilt signed stocks, bonds, letters and documents. Also buying all nice stocks — especially mining and telegraph and all autographed stocks. I also buy and sell original stone lithograph cigar box label art. Please phone or write for information.

ward and John Winslow, John Adams, Thomas Cushman, Thomas Clarke, Experience Mitchell, William White, Miles Standish, and Thomas Willett—probably to reward them for personally assuming the colony's debt to the London financial backers. The grant was made in September 1652; by the next April, the grantees were dividing their tract, though all of them had houses in Plymouth, Rehoboth, and other settled towns.

The Sowams proprietors held their meetings in Plymouth. The organization was corporate from the start. It began with a "first originall agreement of the proprietors," stating each investor's share and binding each to pay his portion of common charges. (The initial common charge was 35 pounds owed to Massasoit, chief of the Wampanoags, for the land.) The Sowams venture divided land according to shares, sold lands to pay for common charges, appointed committees to handle company business, and placed some 200 settlers on the Sowams tract by 1667. In that same year, the General Court gathered these settlers into the town of Swansea. Eventually the Sowams tract would encompass the towns of Swansea, Barrington, East Providence, Warren, and Bristol in Rhode Island and Massachusetts.

Between 1654 and 1660, all the original shareholders either died or sold their shares, except Thomas Willett. He led the effort to settle the Sowams tract, sitting on the committee charged with dividing the land, buying many lots distributed to his fellow proprietors, and drafting the rules for admitting inhabitants.

Willett's son-in-law, John Saffin, was a shrewd investor who felt torn by the contradictory commands of his Puritan faith. He called money "the Universall Mistriss that all sorts of men doe Court." Even after he rose to become judge of the Supreme Court, he told his diary he would be happy to "Change the whole life I have liv'd in the Palace, for one hours Enjoyment of God in the Chappell." But whatever his private misgivings, Saffin was a driven entrepreneur. He owned property in Boston, either inherited Willett's rights or purchased rights in the Sowams proprietorship, bought a right in the new town of Bristol (a Plymouth Colony town developed by Boston



Connecticut Land Company certificate issued to Benjamin Kent for a portion of the "Connecticut Western Reserve ... as held by John Caldwell, Jonathan Brace, and John Morgan...." September 5th 1795, signed as trustees by the three.

speculators), and purchased several Atherton Company shares and fractions of shares from the heirs of Humphrey Atherton. Saffin went on to become one of the leaders of the Atherton Co.

Stephen Paine was one of the original grantees of the Rehoboth Patent in 1641. He bought into the Rehoboth North Purchase when that grant was made to Rehoboth in 1666. He and a handful of other shareholders (including Willett) owned two shares in that purchase; most of the other investors owned one share each. Like the Atherton and Sowams investors, the owners of the Rehoboth North Purchase assumed various corporate powers. They kept their own records, hired their own surveyors, held their own meetings, and elected their own clerk.

Paine also owned a share of the Sowams company.

Some of these same Plymouth investors joined the effort to exploit the conquered Indian lands after King Philip's War. Massachusetts, Plymouth, and Rhode Island each claimed the desirable site then called Mount Hope. In 1680, the Crown awarded Mount Hope to Plymouth, and immediately the General Court sold the tract to four Bostonians for 1,100 pounds. Soon the Boston investors admitted others to their venture, rechristened Bristol. Stephen Paine's son Nathaniel, John Saffin, and Benjamin Church all took up rights. Church, a victorious commander in King Philip's War, was busy launching several towns in the region, and the four purchasers of Bristol gave him a one-sixteenth interest in

The marketplace we call home



Trading NASDAQ securities is our primary business at Herzog Heine Geduld. We've been specialists

in this market for over 65 years—since the days there were just six of us in one room making markets in only a few hundred stocks.

Today, there are 120 of us making markets in NASDAQ and Bulletin Board stocks, Canadians, UK, European and international gold shares. And we have an institutional desk—with 15 traders.

Over the past seven decades, Herzog Heine Geduld has participated in, and been witness to,

remarkable and dramatic changes.

We welcome the changes, and the increased participation they have brought. We relish the competition. We consider this to be the true American way of doing business—the most open, fair, and exciting marketplace anywhere in the world.

It's the marketplace Herzog Heine Geduld calls home.



Established 1926. Members of the New York Stock Exchange/SIPC.
26 Broadway, New York, NY 10004. (212) 962-0300; (800) 221-3600.
Institutional Trading: (212) 908-4132; (800) 843-4845.

NEW YORK / MIAMI / PHILADELPHIA / BOSTON / SHORT HILLS

their tract, probably hoping that a war hero would attract settlers to their venture. Church joined other speculators from Portsmouth in purchasing the tract that became the town of Tiverton, and he also owned a large interest in the town of Little Compton, which after the war rapidly filled up with settlers.

These overlapping ownerships made several of Plymouth's early proprietary associations — Rehoboth, Sowams, and Rehoboth North Purchase, at least — resemble interlocking directorates, different business boards run by the same few men. And these men and their companies looked well beyond the borders of the little lands of Plymouth: John Brown, Thomas Willett, John Saffin, John Viall, Benjamin Church, and John Paine all invested in Rhode Island lands, while some also invested in wilderness tracts in Massachusetts, Maine, and New York.

West of Plymouth, the powerful fur trader William Pynchon bought the site of Springfield, Mass., from the Indians in 1636. He also built the first gristmill and sawmills in the Connecticut River Valley, along with the only store in Springfield. In 1685, a total of 120 people held 9,000 acres of land in the town land; Pynchon owned more than 1,800 acres, or 20 percent. But Pynchon was also busy outside of Springfield: Familiar with the Indians from his years of fur trading, he often negotiated with them for title to a new town's lands. Then, in return for purchasing the tract, Pynchon held title to the township until the town reimbursed him the purchase money — the equivalent of the bridge loans popular on Wall Street in the 1980s.

Northampton, Hadley, Westfield, Deerfield, Hatfield, Suffield, Brookfield, Enfield, and Northfield were all first purchased by Pynchon, and many of these towns gave him land

rights as a reward for his financial services. In Deerfield, he also purchased additional shares from other investors, including Governor John Leverett; Pynchon became one of Deerfield's largest landowners. At his death in 1703, Pynchon's enormous landholdings exceeded £8,000 in value.

But, wealthy as he became, Pynchon was a reliable champion of frontier people because his fortunes were yoked to theirs. When they suffered, he did. After the Indian war broke out in 1675, it was Pynchon who led the English forces protecting the Connecticut Valley, and Pynchon's mills and rent-producing property were destroyed along with the homes and farms of settlers. But when settlements prospered, Pynchon prospered. He expended tremendous energy and time dealing with Indians, debtors, tenants, surveyors, committees, and the General Court to advance the settlements and his family's estate.

Another pre-eminent entrepreneur was John Winthrop, Jr., son of the governor of Massachusetts Bay. In 1633, he founded what became Ipswich on the coast north of Boston. But he stayed just long enough to lend his aura to the settlement, leaving in 1634 as soon as the town could stand on its own feet. But he kept his land: at least two town lots, two large farms, and other meadow and upland. Ipswich tried to give Winthrop even more land as a lure to keep him from leaving the town, but Winthrop had other plans. He went to England and came back in 1635 with a commission from Lord Say, Lord Brook, and others to start a town in their patent in Connecticut. These patentees hired Winthrop, paid the settlement costs, and sent over settlers. They expected to realize a profit either from land sales and fees or from agricultural production. By the spring of 1636 Winthrop was supervising construction of a fort and settlement at Saybrook.

Then he was off again. By 1657, when he was elected governor of Connecticut, Winthrop had lived in Boston, Salem, Ipswich, Saybrook, New London, New Haven, and Hartford — three of which he had founded himself. In the meantime he had tried to establish a New England ironworks and had even turned down offers to start towns on Long Island and along the Delaware Bay.

One of the first instances of insider trading in American history shows that Winthrop had a shrewd, if not unscrupulous, side. In 1659, Winthrop joined several prominent men from Massachusetts to buy land in Rhode Island which later became, with some additions, the principal assets of the Atherton Company. The next year, Winthrop represented the United Colonies — a federation of Plymouth, Massachusetts, Connecticut, and Rhode Island — in a dispute against the Narragansett Indians over certain alleged Indian offenses. The Atherton Company opportunistically stepped forward to pay the fine for the Indians. As security for the payment, the company got a mortgage on the Narragansett's lands. Not surprisingly, the Indians did not redeem the mortgage, and the Atherton Company foreclosed on the whole Narragansett territory. Winthrop, as one of the commissioners of the United Colonies and a shareholder in the Atherton Company, knew that his investment would directly benefit from the fine levied on the Indians.

Part II of this article will appear in the next issue of *Friends of Financial History*.

[John Frederick Martin received his Ph.D. in history from Harvard University and is an independent scholar affiliated with The Bancroft Group in Washington, D.C.]

Don't miss Part II of Dr. Martin's outstanding work, *Profits in the Wilderness*, excerpted in the next issue of *Friends of Financial History*. Call today to check that your subscription is current. Our office number is (212) 908-4519.

A four issue subscription in the US and Canada is \$25 (\$30 elsewhere), an eight issue subscription is \$45 (\$55), and a twelve issue subscription is \$65 (\$75). New York state residents please include sales tax. Your subscription dollars help support the programs of the Museum of American Financial History.

FINANCIAL HISTORY ...at South Street Seaport Museum:

"PICTURING HISTORY THROUGH THE SEAMEN'S BANK COLLECTION" ...Wednesday, March 3, 1993, Noon. FREE!

Museum Gallery, 213 Water Street

SLIDE-LECTURE using the Museum's recently acquired Seamen's Bank for Savings collection provides a vivid portrait of New York's second mutual savings bank and the seaport community it served.

SPONSORED BY the South Street Seaport Museum in collaboration with The Museum of American Financial History.

THE SOUTH STREET SEAPORT MUSEUM preserves and interprets the history of New York as a world port and center of commerce.



"We have used a number of framers in the past, and Showcase Portfolios has proven time and again to be of the highest quality and the most reasonably priced."

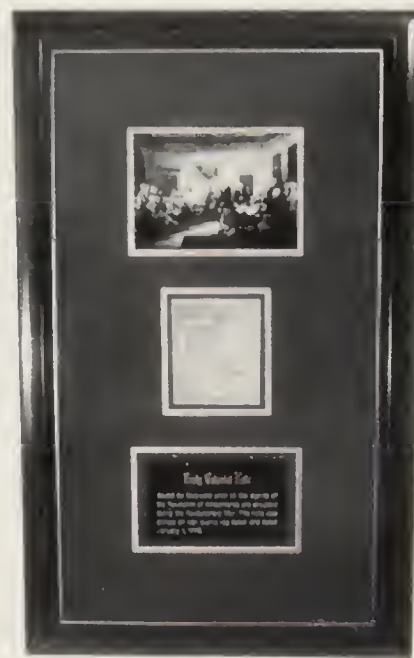
— Scott J. Winslow

Scott J. Winslow Associates, Inc.

"Showcase Portfolios provides fast, thoughtful service, and uses the highest quality material."

— John E. Herzog

Museum of American Financial History



Showcase Portfolios

900 South Washington Street, Suite 100

Falls Church, VA 22046

Tel (703)532-2000 • Toll Free (800)220-1174 • Fax (703)532-6560

A Look at the General Motors of Yesterday

By William C. Schmidt, Jr.

General Motors Corporation (GM) is the largest industrial corporation in the world. Its 1991 revenues amounted to over \$123 billion, an amount far larger than the GNP of many countries. Worldwide, GM has approximately 360,000 employees, 120 plants, and 13,000 dealerships through which it sells its various automotive products. Until recently, GM built three out of every five cars made in the United States and about one-quarter of the cars made in the world. GM products today include not only automobiles and trucks, but also automotive components, locomotives, engines, mining and construction equipment, defense and aerospace material, and commercial and household appliances. Additionally, a GM financial and insurance group finances and insures sales of GM products.

General Motors Corporation was originally organized as General Motors Company in 1908 by the legendary and dynamic William C. Durant (1861-1947). At the time, Durant was the nation's largest carriage and wagon manufacturer, and the principal investor in, and guiding light of, the very successful Buick Motor Car Company

founded by David D. Buick in 1902. Over the next two years, Durant went on a buying spree, acquiring for GM some two dozen companies that made cars, electric lights, and sundry other accessories. Among the automobile manufacturers absorbed into GM were still-familiar names such as Oldsmobile, Oakland (later re-named Pontiac), and Cadillac, as well as makes that have now passed from the scene such as Cartercar, Elmore, Reliance and Rapid.

Durant, however, was more interested in dealmaking than in production. By 1910, Durant, president of GM since its founding, had overextended both himself and his company, and had to turn to a consortium of New York and Boston bankers for help. In return for their help, Durant agreed to leave GM.

One of the changes was the naming of Walter P. Chrysler, who would soon start his own automobile company, as president of Buick. A dissatisfied Durant, however, immediately began plotting his return to GM. Beginning in 1911, Durant backed the Swiss-born Louis Chevrolet in starting the Chevrolet Motor Company, which

Durant helped rapidly build into a nationwide business. As the business grew, Durant began swapping Chevrolet stock for GM stock and, by 1915, he had accumulated enough stock to oust the bankers and recover the company. As before, Durant went on a buying spree, adding such names as Chevrolet and Delco (1918), and Fisher Body and Frigidaire (1919). The company was reincorporated with its present name in 1916, shortly after Durant returned to GM.

When the postwar recession hit in 1920, Durant and GM were again found to be overextended, and Durant was again forced out, this time for good. Upon Durant's departure, Pierre S. du Pont, president of E.I. du Pont de Nemours Company and already GM chairman, became president as well. In 1923, he relinquished the presidency to Alfred P. Sloan, Jr. but continued on as chairman until 1929, when he was succeeded by his brother, Lamont. Upon Lamont's retirement in 1937, Sloan became chairman, a position he held until 1956. Today, du Pont and Sloan are considered the pioneers in developing management structures and techniques which permit enormous organizations with diversified activities such as GM to be efficiently managed.

William C. Schmidt, Jr., is the current president of the American branch of the Bond and Share Society.



This General Motors Corporation certificate, January 4, 1965, is typical of the style of certificate issued during the 1960s, with its futuristic vignette.

"In business, the competition will bite you if you keep running, if you stand still it will swallow you."

—William S. Knudsen, 1939, later chairman, General Motors

SHOPPING GUIDE

Your listing in the Shopping Guide is \$100 per year for four issues. Payment to accompany order, please.

SPECIAL COMMENTS

[illegible]



FRIENDS AUCTION #47

MAIL BID ONLY

COLORS:

ye - Yellow	bl - Blue	or - Orange
br - Brown	ol - Olive	go - Gold
gr - Green	rd - Red	gy - Grey

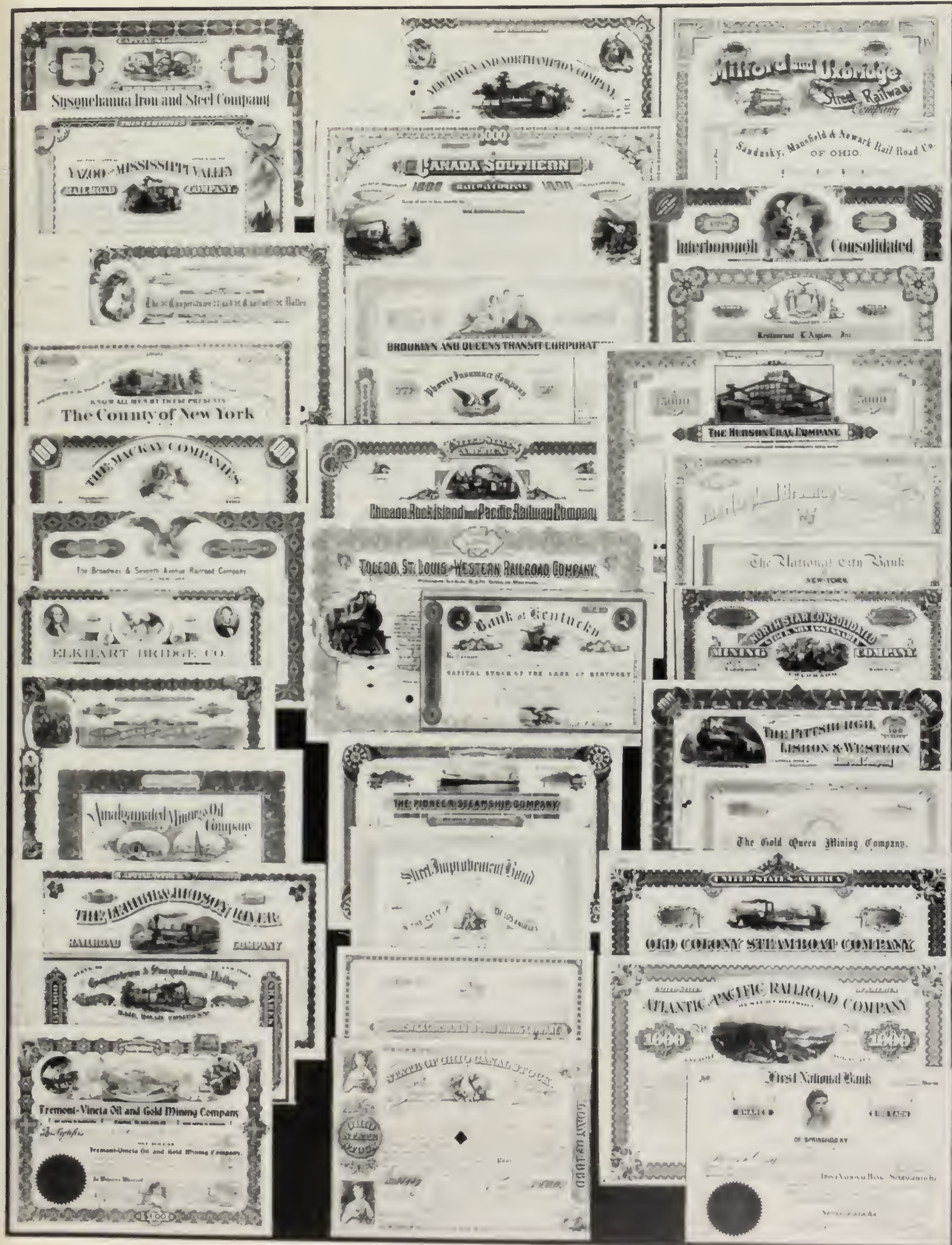
Deadline for Receipt of Bids:

THURSDAY, JANUARY 28, 1993 — 12:00 NOON

CODES:

Cb	- Coupons, bound with the certificate.
Cs	- Coupons at the side.
Cu	- Coupons underneath.
U	- Unissued (All certificates are issued Common Stock, unless specified).
P	- Preferred Stock.
CD	- Certificate of Deposit.
POC	- Punch Out Cancellation.
STATES	- Two letter postal codes.

- 1 **Susquehanna Iron & Steel (PA) 1904. 100 shs, green.** Smelting scene. ABN. Uncancelled. (\$35-Up)
- 2 **Yazoo & Mississippi Valley RR (NY) 1922. One share.** Train on a busy rural station. Sailship, right. ABN. Uncancelled. (\$35-Up)
- 3 **Cooperstown & Charlotte Valley (NY) 1890. One share,** grey borders, gold embossed corporate seal and underprint. Woman wearing a cap with star. (\$40-Up) Interesting certificate from the home of baseball.
- 4 **New York County (NY) 1860. \$1000. Revenue Bond, red** embossed corporate seal. NYC Hall. Tiny edge split at left. Signed by Fernando Wood as Mayor. (\$45-Up)
- 5 **Mackay Companies 1921. 100 shs, green.** Mercury uses caduceus to produce sparks. ABN. Signed by E. C. Platt as VP. Issued to and signed on verso by Clarence H. Mackay (1874-1938) American capitalist - owner of the radio-telegraph company and philanthropist. (\$150-Up)
- 6 **Broadway & Seventh Avenue RR (NY) 1933. 33 shs, green.** Spread eagle on shield. FL-ABN. (\$30-Up)
- 7 **Elkhart Bridge (IN) 1905. 100 shs, grey/black, gold** embossed corporate seal and underprint. #17. Eagle, shield and arrows. Bust engravings of Washington and Lincoln, upper corners. Uncancelled. (\$50-Up)
- 8 **Granite State Mica Mining & Improvement (ME) 1896. 50** shs, grey borders, green underprint. Miners underground, top left. Individual mining vignettes along borders. Uncancelled. (\$40-Up)
- 9 **Amalgamated Mining & Oil (NY) 1907. \$30. 6% First** Mortgage 20-Year Gold Bond, Cb, green. Tunnel entrance. Oil site. (\$50-Up) Mining and oil bonds are scarce.
- 10 **Lehigh & Hudson River RR (NJ) 1881. 10 shs, grey/black.** Train. FBN. (\$30-Up)
- 11 **Cooperstown & Susquehanna Valley RR (NY) 1893. One** share. #12. Train, steamboat. (\$35-Up)
- 12 **Fremont-Vineta Oil & Gold Mining (SD) 1902. 200 shs,** brown borders and underprint, green tower underprint. Mountain trails. Mining scenes. (\$40-Up)
- 13 **New Haven & Northampton (CT-MA) 1890. 31 shs, green.** Train, sailship. State seals. ABN. (\$40-Up)
- 14 **Canada Southern RR (Canada) 1880. \$1000. Second** Mortgage Registered Bond, green. Train. Man, with Woman and child, wave flag at train. Prepared, but unissued. (\$40-Up)
- 15 **Brooklyn & Queens Transit (NY) 1937. 100 shs, orange.** Allegorical figures. Quayle & Sons. Preferred. (\$50-Up)
- 16 **Phoenix Insurance (CT) 1858. 38 shs, grey/black.** Phoenix. State seal, bottom center. (\$30-Up)
- 17 **Chicago, Rock Island & Pacific Rwy (NY) 1888. Certificate** for 10 Bonds, brown. Train. Sphinxes. WBN. (\$40-Up)
- 18 **Toledo, St.Louis & Western RR (IN) 1900. \$5000. Prior** Lien 3-1/2% Gold Bond, red. Locomotive #188. Allegorical woman along right border. FLB. (\$45-Up)
- 19 **Bank of Kentucky (KY) 1842. 12 shs, grey/black.** Liberty, eagle. Cherubs. Medallions. Eagle on rock. Condition is unusually good. (\$55-Up)
- 20 **Pioneer Steamship (OH) 1930. Mentor Special District,** Lake County, OH. 40 shs, grey orange underprint. Oil tanker. (\$30-Up)
- 21 **City & County of Los Angeles (CA) 1930. \$161.91. Street** Improvement Bond, Cs, orange. #18. State seal. Tiny cancellation holes. (\$30-Up)
- 22 **Brunswick Consolidated Gold Mining (CA) 1908. 100 shs,** all purple. State seal. (\$60-Up)
- 23 **Ohio State Canal Stock (OH) 1850. \$500. grey/black.** Loan of 1860. Allegorical figures at top center and each corner. Trimmed partially to border at right. Small diamond shaped cancellation hole in center. (\$80-Up)
- 24 **Milford & Uxbridge Street Rwy (MA) 1916. 5 shs, brown.** Trolley. Uncancelled. Few staple holes, top left. (\$30-Up)
- 25 **Sandusky, Mansfield & Newark RR (OH) 1866. \$15.** Fractional Funded Bond Certificate issued in New York. (\$25-Up)
- 26 **Interborough Consolidated (NY) 1922. 11 shs, blue.** Winged allegorical figure with light and winged wheel. ABN. (\$25-Up) Predecessor of the "IRT" subway.
- 27 **Restaurant L'Aiglon (NY) 1919. 20 shs, brown. #21. State** arms. Uncancelled, minor edge tear on top. (\$20-Up)
- 28 **Hudson Coal (PA) 1940. \$5000. Registered First Mortgage** Sinking Fund 5% Gold Bond, red. Series A. Coal factory. ABN. (\$30-Up)
- 29 **Maryland Brewing of Baltimore City (MD) 1899. One** Share, all brown. State arms. Preferred. British imprinted revenue. (\$30-Up)
- 30 **National City Bank of New York (NY) 1929. 50 shs, olive.** City seal, bottom center. Tiny cancellation holes. ABN. (\$20-Up)
- 31 **North Star Consolidated Mining (CO) 1881. 5 shs,** grey/black. Miners working, others taking a break. Folds. Collier & Cleaveland Lith. (\$50-Up)
- 32 **Pittsburgh, Lisbon & Western RR (OH-PA) 1906. 100 shs,** brown, grey. Train in a covered terminal. WBN. (\$30-Up)
- 33 **Gold Queen Mining (WY) 1905. 5000 shs, orange borders** and underprint featuring allegorical figures. Folds. EF. (\$40-Up)
- 34 **Old Colony Steamboat (MA) 1890. 1000 shs, grey. #49.** Steamships, sailboat. Folds. ABN. VF+. (\$40-Up)
- 35 **Atlantic & Pacific RR (NY) 1880. \$1000. Income Mortgage** Bond, Cu, golden brown. Surveyors, train crossing bridge and river in the distance. ABN. EF.
- 36 **First National Bank of Springfield (KY) 1888. 2 shs, gold** embossed corporate seal. Lovely engraved woman. (\$30-Up)
- 37 **Dayton, Lebanon & Cincinnati RR & Terminal (OH) 1909.** 500 shs, green. #2. Train, horse wagon. Issued to and signed by M. L. Sternberger as president and on verso. (\$40-Up)
- 38 **Waldorf Realty (OH) 1921. One share, red "COMMON".** Signed by George Waldorf as president and Burton Waldorf as secretary. (25-Up)
- 39 **City of Los Angeles (CA) 1905. \$1000. Water Works Bond,** green. State seal. TCH. (\$30-Up)
- 40 **Troy Armory Improvement Bond (NY) 1902. Rensselaer** County. \$2000. #5. brown. Armory building. Two minor edge splits on top. TCH. (\$30-Up)
- 41 **Cole Motor Car (IN). Shares, orange.** Allegorical figures pour oil into torch. FL-ABN. Unissued, but prepared and signed by J. J. Cole as president. (\$65-Up)
- 42 **Pittsburg Traction (PA) 1891. 100 shs, green. Streetcar.** ABN. (\$35-Up)
- 43 **Denver & Southwestern Rwy (NJ) 1901. 30 shs, brown.** Train on turntable, others waiting in line. Uncancelled. ABN. (\$40-Up)
- 44 **Leetonia Store (OH) 1905. 2 shs, all brown. State seal.** WBN. (\$25-Up)
- 45 **Kirkwood Pottery (OH) 1907. 5 shs, grey/black, go** embossed corporate seal and underprint. #3. Woman star-studded cap. Issued to and signed by A. P. Clark as president (\$30-Up)
- 46 **Peace River Mining & Milling 1921. 600 shs, grey and gold** borders, gold embossed corporate seal and underprint. Moose. Beaver, bottom center. (\$75-Up)
- 47 **American Druggists Syndicate (NY) 1918. 13 shs, olive.** Reclining allegorical female. ABN. (\$30-Up)
- 48 **Columbia Petroleum (TX) 1920. Houston. 100 shs, orange.** Full-width vignette of location. Gusber. (\$30-Up)
- 49 **Security Oil (CO) 1921. 40 shs, grey/black. Title in-between** pipes connected to tanks and towers. Gusber and tower along side borders. (\$30-Up)
- 50 **Fulton Motor Truck (DE) 1919. 5 shs, grey and gold** borders, gold embossed corporate seal and underprint. Spread eagle, sunrise and city by the bay in the distance. (\$75-Up) This company built commercial vehicles in Farmingdale, Long Island, NY, between 1917-23.
- 51 **Detroit & Cleveland Navigation (MI) 1925. 100 shs, orange.** Steamship. ABN. (\$25-Up)
- 52 **Guanajuato Consolidated Mining & Milling (WV) 1901.** 100 shs, blue. Title flanked by eagle and Mexican arms in ornate ovals. ABN. (\$50-Up)
- 53 **Crown Hill Colliery (WV) 1895. \$100. First Mortgage 15-** Year 6% Gold Bond, Cs, orange. Royal crown. (\$35-Up) Only 200 of these bonds were authorized issued.
- 54 **Middletown & Cincinnati RR (OH) 1894. 4 shs, grey/black,** orange underprint. #2. Spread eagle on rock. Rubber stamp cancelled. (\$40-Up)
- 55 **Lagoon - Henszey Coal Mining (NC) 1894. \$500. First** Consolidated Mortgage 6% 20-Year Gold Bond, Cs, green. Miners taking a break. (\$80-Up) Mining bonds are scarce and this one is quite attractive.
- 56 **General Motors (DE) 1954. \$1000. 25-Year 3-1/4%** Debenture, green. Company vision. ABN. (\$20-Up)
- 57 **Pierce - Arrow Motor Car (NY) 1934. Scrip Certificate,** blue borders and security underprint. ABN. (\$100-Up) This company built engines for other manufacturers and between 1901-5 was reportedly building automobiles. It went on to build amusement rides including merry-go-rounds up until the 1960's.
- 58 **Herschell - Spillman Motor (MA) 1919. 20 shs. Temporary** Certificate, blue borders and security underprint, red "COMMON". ABN. (\$100-Up) This company built engines for other manufacturers and between 1901-5 was reportedly building automobiles. It went on to build amusement rides including merry-go-rounds up until the 1960's.
- 59 **Cape Breton Coal Iron & Rwy (Nova Scotia) 1903. 5 shs,** brown, gold embossed corporate seal. Miners underground. FLB Lith. (\$40-Up)
- 60 **New York & New England RR 1885. 100 shs, grey/black.** Steam train. Continental Bank Note. (\$35-Up)
- 61 **Baltimore & Ohio RR 1899. 3 shs, orange. Locomotive, top** left. Preferred Stock Trust Certificate. British imprinted revenues. IBC. (\$30-Up)
- 62 **American Underwriters (WV) 1913. 10 shs, green, gold** embossed corporate seal. #42. Company logo. Preferred. (\$25-Up)
- 63 **Youngstown-Sharon Rwy & Light 1901. 50 shs, brown.** Stock Trust Certificate. Woman with star tiara perched on eagle. Rubber stamp cancelled. WBN. (\$30-Up)

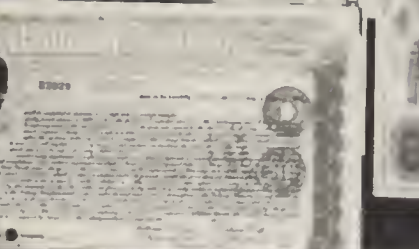
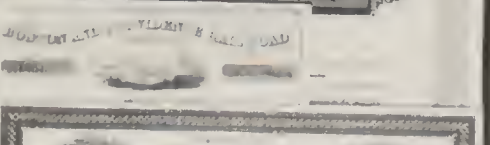
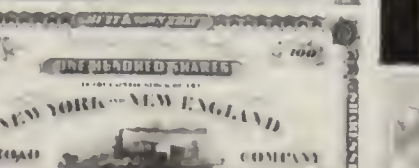
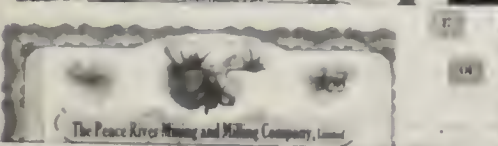
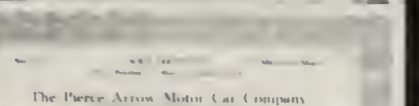
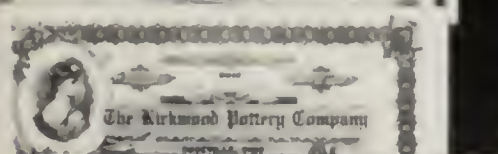
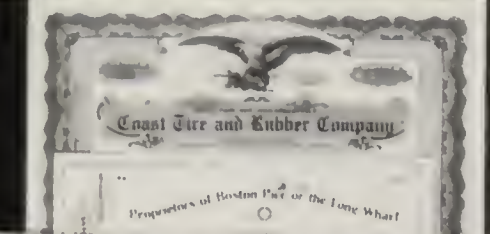
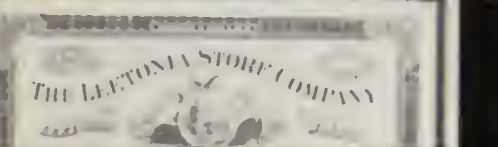
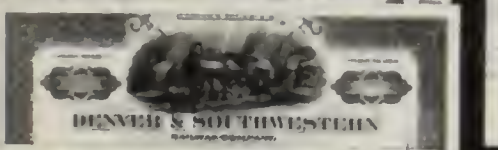
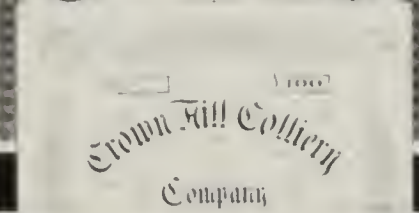
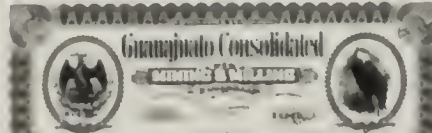


- 64 **West Point Telephone (VA)** 1890. 5 shs. State arms. Rubber stamp cancelled. (\$35-Up)
- 65 **Choctaw, Oklahoma & Gulf RR** 1899. 100 shs, blue. Preferred Stock Trust Certificate. FLB. (\$30-Up)
- 66 **Bay Parkway National Bank of Brooklyn (NY)** 1927. 10 shs, brown. Spread eagle on shield and arrows. (\$30-Up)
- 67 **Kinsey Distilling (PA)** 1937. 1250 shs, blue. Spread eagle on rock. SBN. (\$20-Up)
- 68 **Benton County Apple Brandy (AR)** 1900. 5 shs, brown. Allegorical figures along borders on either side. Three minor edge splits. (\$25-Up)
- 69 **Coast Tire & Rubber (CA)** 1920. 10 shs, grey and gold borders, gold embossed corporate seal and underprint. Spread eagle, sunrise & bay city in the distance. (\$30-Up)
- 70 **Proprietors of Boston Pier or the Long Wharf (MA)** 1933. 5 shs. Organized in 1715 & incorporated in 1772. (\$20-Up)
- 71 **Consolidated Manganese (ME)** 1921. 100 shs, blue. Miners underground. HBN. (\$35-Up)
- 72 **Butler Iron (IL)** 1917. 25 shs, orange, gold embossed corporate seal. Spread eagle. (\$30-Up)
- 73 **Boston & Providence RR (MA)** 1871. One share, grey. Train, men boating. Train crossing bridge across at left. ABN. R44 (rubber stamp cancelled). (\$50-Up)
- 74 **New York, Pittsburg & Chicago Construction (NY)** 1881. \$1875. Second Mortgage Income Bond. Train, horse wagon. Light glue remnants along left border. (\$30-Up)
- 75 **Tintic Mining & Milling (UT Territory)** 1892. 2000 shs, grey/black. Miner with pick, another pushing a rail car. Light glue staining. Salt Lake Litb. (\$30-Up)
- 76 **Fox Theatres (NY)** 1932. 10 shs, blue. Reclining allegorical female and cherub, lion. ABN. (\$25-Up)
- 77 **Capital Cities Communications (NY)** 1977. 400 shs, grey, orange. Allegorical female with globe. ABN. (\$20-Up)
- 78 **Goldfield Treasure Mining (AZ)** 1917. 5000 shs, orange. Miners underground. Paper clip rust mark on top, otherwise VF+. (\$45-Up)
- 79 **Chicago, Burlington & Quincy RR (IL)** 1887. 10 shs, grey, black. Steam locomotive, steamboat. ABN. (\$30-Up)
- 80 **Beaver Dam Water (PA)** 1907. One share, grey borders, green embossed corporate seal and underprint. Spread eagle. Small punch holes through signatures. (\$25-Up)
- 81 **Sonora Rwy (US-Mexico)** 1882. 70 shs, grey/black. Locomotive "PROGRESS". Eagle and Mexican arms in circles, either side. ABN. (\$30-Up)
- 82 **Union Lumber** 1908. 13 shs, brown. #11. Men cutting down trees. Shield at corners. (\$25-Up)
- 83 **Ishpeming Livery (MI)** 1914. 9 shs. #71. Horse's head. Handsome certificate. (\$35-Up)
- 84 **Submarine Signal (ME)** 1944. 2 shs, green. Ocean-going ships. ABN. (\$30-Up)
- 85 **Indianapolis Refining (OK)** 1922. 100 shs, orange. Gusher. SBN. (\$25-Up)
- 86 **Producers & Refiners (WY)** 1933. 100 shs, blue. Bare-breasted woman flanked by tower and refinery. ABN. (\$25-Up)
- 87 **Hughesville Water (PA)** 1891. \$500. 6% First Mortgage Bond, Cb, grey, red "\$500". State arms. Leonhardt & Son. (\$30-Up)
- 88 **Philadelphia & Reading Coal & Iron (DE)** 1933. 2 shs, orange. Muscular man hammers large gear, factories. ABN. (\$35-Up)
- 89 **[Yankee Stadium] Stadium Maintenance (NY)** 19___. Shares, brown. #10. State seal. Unissued. (\$40-Up)
- 90 **Kansas City Baseball Club (MO)** 1936. 56 shs, brown. Title on grey fancy scroll. Cut-out cancelled signatures. (\$60-Up)
- 91 **Wayne Coal (DE)** 1922. 100 shs, green. Electric-powered coal mine locomotive with miner. RBN. (\$35-Up)
Interesting vignette very seldom seen.
- 92 **Maryland Smokeless Coal (WV)** 1903. \$1000. First Mortgage 6% Gold Bond, Cb, brown. Miners work below by candlelight. Goes Litb. (\$40-Up)
Coal Mining bonds are scarce and this bond is #67 of only 600 authorized issued.
- 93 **New Albany Street RR** 1901. One share, grey borders, green ornate decor and eagle on shield underprints. Title is handwritten. Inconspicuous cut cancellations. (\$25-Up)
- 94 **Fort Wayne Electric (IN)** 1890. 10 shs, grey/black. Topless woman with star tiara perched on a flying eagle. (\$35-Up)
- 95 **Brooklyn College Club (NY)** 1929. \$25. 5-Year 3% Debenture Bond, brown. Only 400 of these were authorized issued. (\$40-Up)
- 96 **Chicago, Rock Island & Pacific Rwy (IL-IA-MO)** 1893. 50 shs, grey and blue borders. Locomotive "AMERICA". Sphinxes. ABN. Handsome bi-color certificate with an unusual printed denomination. (\$60-Up)
First time offered.
- 97 **Slim Jim Oil & Gas (KS)** 1917. Half share, grey, gold embossed corporate seal and underprint. #41. Towers. Train, gusher, tank and horse-drawn rail tanker along borders. (\$30-Up)
- 98 **Baltimore & Ohio RR (MD)** 1884. 3 shs, grey/black. Train. 6% Preferred stock. (\$40-Up)
- 99 **Union National Bank (PA)** 1905. *Johnstown*. 2 shs, grey/black, gold embossed corporate seal. Spread eagle on shield, steamship in the distance. (\$35-Up)
- 100 **Lebanon Springs RR (NY)** 1867. \$1000. 7% Mortgage Bond, Cu, green "\$1000", red embossed corporate seal. Train, steamboat. Root, Anthony & Co. (\$75-Up)
- 101 **Anderson Belt Railway (IN)** 1891. One share. #8. State seal flanked by agricultural and commercial scenes. Rubber stamp cancelled. (\$30-Up)
- 102 **Great Central Oil of Pennsylvania (PA)** 1865. 1000 shs. #6. Minor ink burns on signature. (\$20-Up)
- 103 **Hidden Fortune Gold Mining (SD)** 1902. 100 shs, orange, gold embossed corporate seal. Title in fancy letters. Eagle on shield flanked by train and Indian camp. (\$45-Up)
- 104 **American Cable (NY)** 1877. 25 shs, brown borders and underprint. Woman holds lightning sparks. Morse's engraving, bottom center. CNB. Issued to S. B. Morse, but unsigned by him. (\$50-Up)
"What hath God wrought?"
- 105 **Delaware RR** 1904. 3 shs, green. Train. ABN. (\$50-Up)
- 106 **United New Jersey RR & Canal (NJ)** 1931. \$100,000. Registered General Mortgage 4-1/2% Gold Bond, blue. Steam locomotive. ABN. (\$35-Up)
- 107 **Colt's Manufacturing (CT)** 1955. 100 shs, brown. Horse on its hind legs biting arrow. Printed signature featuring crossed rifles and pistols. ABN. (30-Up)
- 108 **South Carolina Rwy (SC)** 1881. \$1000. Purchase-Money Mortgage Income Bond, grey, black. Blacks pick cotton, either side. ABN. (\$100-Up)
- 109 **Manhattan Transit (NY)** 1911. 100 shs, green. Seated allegorical female, harbor in the background. IBC. (\$45-Up)
- 110 **Twenty-Third Street Rwy (NY)** 1912. \$1000. Improvement & Refunding Mortgage 50-Year 5% Gold Bond, Cb, orange. Street cars. ABN. (\$35-Up)
- 111 **Century Steel of America (NY)** 1919. 6 shs, blue. Man pours molten iron into pig molds. ABN. (\$30-Up)
- 112 **United States Freight (DE)** 1949. 100 shs, green. Allegorical female flanked by train and ship. Central Bank Note. (\$30-Up)
- 113 **United States Leather (NJ)** 1940. 42 shs, orange. Bull's head flanked by seated allegorical figures. ABN. (\$40-Up)
- 114 **Victor Machine (AZ)** 1910. 4 shs, green. Woman with wreath & shield flanked by Indian camp & city. (\$35-Up)
- 115 **Parker Axle & Products (NY)** 1920. 6 shs, green borders and underprint. Statue of Liberty with flag, eagle on standing shield, globe, and steamship. (\$35-Up)
- 116 **Mississippi & Missouri RR** 1862. \$700. Receipt for coupons of the First Mortgage Construction Bond. Printed on grey paper. (\$25-Up)
- 117 **Trojan Brake Shoe & Foundry (NY)** 1906. 10 shs, green. #11. State arms flanked by train and steamboat in the distance. (\$25-Up)
- 118 **Mississippi Tom Thumb Golf (MS)** 1930. 250 shs, grey borders, green seal and underprint. #2. Title typewritten. Eagle on shield. (\$50-Up)
- 119 **Indiana Harbor Belt RR (IN)** 1964. \$75,000. First Mortgage Bond, brown borders and spread eagle vignette. (\$20-Up)
- 120 **Consolidated Cuban Petroleum (DE)** 1958. 50 shs, brown borders & spread eagle. Printed corporate seal. (\$20-Up)
- 121 **Automatic Telephone Dialer (DE)** 1936. 100 shs, orange. Spread eagle on shield and flag, U.S. Capitol in the distance. (\$25-Up)
- 122 **Hereford Rwy (Canada)** 1917. 8 shs, brown. Steam locomotive. JAL. (\$50-Up)
- 123 **Maine Central RR (ME)** 1926. 4 shs, olive. Trains, trackworkers. ABN. (\$30-Up)
- 124 **Portland & Ogdensburg Rwy (ME-NH)** 1892. 28 shs, grey/black. Train, stage coach and steamboats. Small cancellation holes through signature blocks. (\$40-Up)
- 125 **City National Bank & Trust of Chicago (IL)** 1947. \$2000. brown borders and underprint, blue letters. CD for bonds of Chicago Rapid Transit and the Union Consolidated Elevated Railway. (\$25-Up)
- 126 **Downey's 5=10 & 25¢ Stores (NY)** 1913. 50 shs, grey and gold borders, gold embossed corporate seal and underprint. Spread eagle on arrows. (\$50-Up)
No. 1 certificate issued to and signed by Sidney E. Downey as president. Interesting and unusual!
- 127 **Bowditch Furniture (CT)** 1898. *New Haven*. 14 shs, all green. #47. Fancy side borders. Signed by E. B. Bowditch as president. (\$25-Up)
- 128 **Hodgman Rubber (NY)** 1924. 6 shs, orange. Seated allegorical figures pour oil into torch. Preferred. FL+ABN. (\$25-Up)
- 129 **New York City (NY)** 1896. \$5000. Consolidated Stock Bond, gold "GOLD", green embossed corporate seal. #48. Two minor edge tears. (\$25-Up)
- 130 **Charles River Branch RR** 1852. 3 shs, printed red corporate seal on grey paper. Counterfoil at left. Early and in excellent condition. (\$50-Up)
- 131 **Consolidated Car (MI)** 1916. *Detroit*. 7 shs, grey/black, go embossed corporate seal and underprint. Spread eagle on dome, upper left. (\$50-Up)
- 132 **Buffalo & Lake Erie Traction (NY-PA)** 1910. 5 shs, orange. Spread eagle on shield. Streetcar, bottom center. State arms in ornate circles. ABN. (\$50-Up)
- 133 **Mohawk & Hudson RR (NY)** 1840. 20 shs. Small form printed on beige paper with a very wide bottom margin. Scarce and very early. (\$150-Up)
When the Mohawk and Hudson went into operation, English locomotives were the primary source of motive power. These heavy engines with rigid front wheels tore up the American rails. John B. Jervis of the Mohawk and Hudson modified the British locomotives by substituting a front truck with two axles and four wheels. This proved to be a very important step in the development of the American style of locomotive.
- 134 **Commercial Trust (CT)** 1929. *New Britain*. 25 shs, brown, gold embossed corporate seal. Anvil with the company name. (\$25-Up)
- 135 **Consolidated Rolling Stock (CT)** 1910. *Bridgeport*. 10 shs, grey/black. Train, horsewagon. (\$25-Up)

Please note that a 10% buyer's charge
will be added to each lot purchased
on all purchases.



The Waldorf Realty Company



- 136 **Kawich & Bullfrog Mines** (SD) 1905. 500 shs, gold. Miners busy working underground. Prospector along side borders. Justice. (\$50-Up)
- 137 **Joanna-Nevada Gold Mining** (ME) 1910. 608 shs, green. Liberty. (\$45-Up)
- 138 **Federal Adding Machine** (NJ) 1917. 70 shs, orange. Allegorical figures, factory, beehive. (\$25-Up)
- 139 **Clapp Motor-Carriage** (NJ) 1900. 71 shs. #13. Ornate brown borders. Rectangular piece (1" x 1-1/2") clipped at top left corner. (\$50-Up)
Established in 1898 by Henry Clapp, who had worked with the Duryea brothers, envisioning three vehicles a day production. However, Clapp built the first "fuel efficient" car using only 6 gallons of gas for a 100-mile run, but never went into production. A xerox copy of the 1898 Clapp Gasoline Carriage is included.
- 140 **Andress Paint & Color** (NJ) 1891. 100 shs, grey/black, silver embossed corporate seal. #11. Monogram. Dog on chest. (\$30-Up)
- 141 **American Ammonia Manufacturing** (VA) 1893. 7 shs, grey/black, gold embossed corporate seal. Spread eagle on rock. Gast Lith & Eng. (\$30-Up)
- 142 **Velo Automishun** 1936. 100 shs, blue borders and security underprint. Stock Trust Certificate. (\$25-Up)
- 143 **St. Louis-San Francisco Rwy** (MO) 1937. 25 shs, brown. Trains, trackworkers. Facsimile signatures. ABN. Excellent condition. (\$50-Up)
First time offered here!
- 144 **Colorcraft** (DE) 1930. 100 shs, orange. Bi-color (red & green) logo. (\$25-Up)
- 145 **Cuban Cane Products** (DE) 1930. 5 shs, orange. Sugar mill, oxcarts loaded with sugar cane, train. Facsimile signatures. ABN. (\$30-Up)
- 146 **International Match** (DE) 1926. 80 shs, green. Reclining allegorical female, lion. Participating Preference certificate. Uncancelled. ABN. (\$25-Up)

- 147 **Miocene Petroleum** (WA) 1929. 5 shs, grey borders, go embossed corporate seal and underprint. Oil site, top left. Train, tank, towers, at corners. (\$30-Up)
- 148 **Page & Shaw** (MA) 1929. One share, grey, brown. Company building. Signed by Henry Shaw as president. (\$25-Up)
- 149 **Northern Texas Electric** (ME) 1916. 3 shs, olive. Woman holds lightning bolts. ABN. (\$30-Up)
- 150 **Temagami-Cobalt Mines** (ME) 1909. 1000 shs, green, orange underprint. Spread eagle on rock. Two minor edge splits on top. (\$30-Up)
- 151 **New York, New Haven & Hartford RR** 1938. 10 shs, orange. Electric train. ABN. Uncancelled. (\$40-Up)
- 152 **Wickwire Spencer Steel** (DE) 1925. 5 shs, blue. Trust Certificate. Allegorical male flanked by factories in the distance. ABN. Uncancelled. (\$30-Up)
- 153 **Associated Bankers** (DE) 1921. 50 shs, green borders and underprint. #35. Spread eagle. Minor edge split on top. (\$25-Up)
- 154 **American Express** (NY) 1963. 25 shs, red. Company logo. Facsimile signatures. ABN. Excellent condition. (\$20-Up)
- 155 **Empress Mining & Milling** (AZ) 1904. 300 shs, brown borders, embossed corporate seal and underprint. Ornate. (\$40-Up)
- 156 **Cripple Creek Mutual Mining & Milling** (CO) 1897. 3000 shs, gold borders and embossed seal. #11. Miners underground. Three tiny edge splits on top, otherwise VF. (\$60-Up)
- 157 **Greeley Square Hotel** (NY) 1920. 50 shs, brown borders and security underprint. State arms. Preferred. NY stock transfer and documentary stamps affixed at lower left. (\$40-Up)
- 158 **Gramm-Bernstein Truck** (OH) 1924. 40 shs, orange borders and underprint. Signed by M. Bernstein as president. (\$75-Up)

- 159 **Independent Corporation** (NY) 1915. 20 shs. Orange title, bi-color borders. Tiny edge split on top otherwise VF. (\$35-Up)
- 160 **Indiana Mining** (MI) 1911. 10 shs, red. Indian chief. FLB. (\$45-Up)
- 161 **Gold Creek, Nevada, Consolidated Lodes** (CO) 1898. 6250 shs, green. Miners underground. ABN. (\$60-Up)
"Go West, young man, and grow up with the country."
- 162 **Lanyon Zinc** (NJ) 1906. 30 shs, green. Elegant woman with dove at top right. Preferred. FLB. (\$40-Up)
- 163 **Lackawanna Coal & Lumber** (WV) 1912. 8 shs, brown. Coal loading station. (\$30-Up)
- 164 **Kay Copper** (DE) 1926. 100 shs, grey/black. SBN vignette of the bearded Abraham Lincoln. SBN. (\$40-Up)
"As I would not be a slave, so I will not be a master."
- 165 **Connecticut Telephone & Electric** (CT) 1924. Meriden, CT. 10 shs, orange. Spread eagle on shield and arrows. Preferred. FL-ABN. (\$35-Up)
- 166 **Clark Insulated Wire** (NJ) 1882. 25 shs, grey/black. Flamboyantly printed title, ornate Victorian borders. (\$30-Up)
- 167 **Chicago, Saint Paul, Minneapolis & Omaha Rwy** 1922. 25 shs, brown borders and underprint. Steam locomotive. Train crossing bridge and steamboat in ovals. FBN. (\$30-Up)

* * * END OF SALE * * *

PRINTERS & ENGRAVERS:

ABN - American Bank Note
CBN - Columbian Bank Note
CNB - Continental Bank Note
CT - Charles Toppan & Co.
DTL - Draper, Toppan, Longacre & Co.
DW - Danforth, Wright & Co.
EAW - E.A. Wright Banknote
FBN - Franklin Bank Note Co.
FLB - Franklin-Lee Bank Note Co.
HBN - Hamilton Bank Note
HLB - Homer Lee Banknote
IBN - International Bank Note
JAL - John A. Lowell Bank Note
NBN - National Bank Note Co.
NYB - New York Bank Note Co.
RBN - Republic Bank Note
RWH - Rawdon, Wright & Hatch
RWHE - Rawdon, Wright, Hatch & Edson
SBN - Security Bank Note Co.
SCB - Security Columbian Banknote
TCC - Toppan, Carpenter, Casilear
UBSH - Underwood, Bald, Spencer & Hufty
WBN - Western Bank Note & Engraving

* * * * * TERMS OF SALE * * * * *

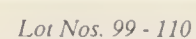
1. All items in this catalogue are guaranteed. If any substantial defect, not described in the catalogue, is found by a purchaser who was unable to examine the lots prior to the sale, the material in question may be returned within three days of receipt.
2. Estimates of value, printed after each lot, are only approximations, and the price realized may be lower or higher. All certificates are issued, common stock, and in very fine condition, unless clearly described otherwise.
3. Please bid early. Bids are always used competitively and will be executed at the lowest possible price, except where fair market value dictates. Bidders unknown to us are required to send suitable references.
4. All bids must be received before the published deadline. We will accept bids by telephone at (212) 943-1880 and by FAX at (212) 908-4047. Prices realized will be published in the next issue of *Friends*. If you can type your bid sheet, we will appreciate it.
5. The auctioneer reserves the right to withdraw lots at any time prior to sale.
6. A commission at the rate of 10% of the hammer price of each lot sold is payable by the buyer to R. M. Smythe & Co., Inc.
7. Unless exempt, the purchaser will be required to pay appropriate sales tax.
8. Lots must be paid for within ten days after sale. Late payments will subject to charges at 1.5% per month.

Smythe Auction Catalogue Subscription

If you collect currency, stocks & bonds, coins, autographs or related items, a Smythe subscription may be your most important purchase this year. The high cost of quality catalogue production has forced us to severely reduce the size of our print runs. Only Smythe subscribers can be fully assured of receiving their Smythe catalogues. Don't miss this important opportunity! To subscribe or to check on the status of your subscription, please call Mary Herzog at 1-800-622-1880 or 1-212-943-1880.



26 Broadway, Suite 271, New York NY 10004 - 1701
 ☎ 212-943-1880 • 800-622-1880 • FAX 212-908-4047







Lot Nos. 151 - 156

Lot Nos. 157 - 162

Lot Nos. 163 - 167

FRIENDS MAIL BID SALE #46 Prices Realized

1 - \$30	20 - \$18	40 - \$20	68 - \$65	86 - \$33	102 - \$35	117 - \$25	137 - \$15	153 - \$20
4 - \$30	21 - \$60	46 - \$30	69 - \$12	87 - \$65	103 - \$61	119 - \$26	139 - \$25	154 - \$26
5 - \$75	22 - \$16	47 - \$40	70 - \$45	89 - \$50	104 - \$60	120 - \$35	140 - \$50	155 - \$40
6 - \$45	23 - \$12	48 - \$40	72 - \$50	90 - \$50	105 - \$50	122 - \$16	142 - \$25	157 - \$26
7 - \$40	24 - \$25	49 - \$55	73 - \$65	91 - \$83	106 - \$40	123 - \$45	143 - \$30	159 - \$30
8 - \$50	26 - \$80	52 - \$71	74 - \$40	92 - \$50	107 - \$50	125 - \$55	144 - \$40	160 - \$16
9 - \$125	27 - \$32	53 - \$25	76 - \$35	93 - \$23	108 - \$30	128 - \$35	145 - \$50	161 - \$60
10 - \$110	30 - \$31	54 - \$50	77 - \$90	96 - \$28	109 - \$40	129 - \$50	146 - \$45	163 - \$25
11 - \$44	31 - \$47	57 - \$25	78 - \$28	97 - \$12	110 - \$50	130 - \$20	147 - \$50	164 - \$20
12 - \$19	34 - \$41	58 - \$80	80 - \$25	98 - \$40	112 - \$75	133 - \$70	148 - \$35	167 - \$35
14 - \$19	35 - \$13	59 - \$45	83 - \$20	99 - \$60	113 - \$72	134 - \$85	149 - \$20	168 - \$20
15 - \$45	36 - \$40	63 - \$16	84 - \$70	100 - \$55	114 - \$125	135 - \$25	151 - \$12	
17 - \$35	38 - \$28	67 - \$36	85 - \$55	101 - \$30	116 - \$30	136 - \$55	152 - \$30	

More Stock & Bond Certificates!

If you enjoy collecting certificates, Smythe is now offering on a first-come, first-served basis a wide selection of over 200 scarce, rare and popular stocks & bonds. Many have never before appeared on a Smythe price list. Don't miss this important opportunity to add to your collection. To request for our latest price list, please call Mary Herzog at 1-800-622-1880 or 1-212-943-1880.

R.M. SMYTHE
ESTABLISHED
—1880—

26 Broadway, New York, NY 10004 • 212-943-1880
1-800-622-1880 • FAX 212-908-4047

ITEMS OF INTEREST

Financial History at South Street Seaport - Explore the 19th-Century seaport roots of today's New York commerce with urban historian Marvin Gelfand. **"Picturing History Through the Seaman's Bank Collection,"** Wednesday, March 3, 1993, Noon, No Admission Charge. Slide-lecture featuring the Museum's recently acquired Seaman's Bank for Savings collection provides a vivid portrait of New York's second mutual savings bank and the seaport community it served. For additional information call (212) 669-9400.

The **Lockwood - Mathews Mansion Museum** illustrates the personal history of LeGrand Lockwood (1820-1872), a financier active in American railroad development during the 1850s, and in the sale of stocks and government bonds during the Civil War. The Museum offers tours of the historic house, changing exhibits and holiday activities. From November 12 to December 6 (except for November 23 to 26) a Christmas Holiday Boutique will offer holiday decorating and gift items for sale. A Victorian Christmas event, scheduled for December 20, will feature seasonal music, food, crafts

and activities for the entire family. The Museum is located at 295 West Avenue in Norwalk, Connecticut, and is open Tuesday through Friday, 11:00 a.m. to 3:00 p.m. and Sunday 1:00 p.m. to 4:00 p.m. Admission is \$5 for adults, \$3 for seniors and students, and free for children under 12. For additional information call (203)838-9799.

Fraunces Tavern Museum will open **Star-Spangled Spirits: Early American Drinking Traditions and Temperance Movements** on January 14, 1993, in their third floor galleries. The Museum is located at 54 Pearl Street, New York, NY 10004. For more information call (212) 425-1778, and ask about their Lunchtime Lecture Series.

[Call Anne Keane at (212)908-4519 with information on items of interest taking place in your community that would be of interest to our readers. Let us know the date, time, location and a contact phone number for the event. There is no charge for this service.]

CLASSIFIED ADVERTISEMENTS

BUSINESS & FINANCIAL HISTORIES & BIOGRAPHIES

Out-of-print books selected for collectors of financial history and scripophily. Catalogs issued.

Ray Boas, Bookseller,
407 Haddon Avenue
Haddonfield, NJ 08033
Tel. (609) 795-4853

WANTED:

Boxing & Presidential Memorabilia.

Contact Steve Tuchman
GLOVES & OLD GLORY
184 Hempstead Avenue
West Hempstead, NY 11552
Tel. (516) 486-1400

1863 COTTON LOANS

Erlanger Bonds.
Confederate States of America.
For Sale. Bridgeforth.
4325 87th Ave., SE
Mercer Island, WA 98040
206-232-4065

CELEBRATE THE SEASON AT THE

HISTORIC STRASBURG INN

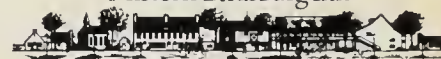
(17 minutes from downtown Lancaster, PA)

Located on 58 scenic acres in the heart of the Amish farmlands

- 102 Room Bed & Breakfast Inn
- Newly Renovated Rooms
- Dining Rooms and Banquet Rooms
- By George, Tavern
- Meeting Rooms & Exhibit Area
- Group Rates Available
- Outdoor Pool, Game Room, Bicycles

For More Information, write

Historic Strasburg Inn



Route 896/Helton Drive, Strasburg, PA 17579 717-687-7691

HIGH QUALITY STOCK CERTIFICATES. LARGE LIST AVAILABLE 100 different \$31. 5 Lots \$130.

Satisfaction Guaranteed.

Send a SESA to:
CLINTON HOLLINS
BOX 112M
SPRINGFIELD, VA 22150

KEN PRAG PAPER AMERICANA

*Stocks & Bonds*Post Cards*
*Passes*Timetables*Etc.*
Catalog plus 3 beautiful stocks \$4.95.
Also buy!

Ken Prag, Box 531FF,
Burlingame, CA 94011
Tel. (415)566-6400

DISPLAY ADVERTISING RATES

Full color back cover: 7 1/2" x 10"	\$900.
Full Page: 7 1/2" x 10"	\$300.
One-Half Page: 4 1/2" x 7"	\$225.
One-Quarter Page: 3 3/4" x 4 1/2"	\$150.

Halftones in your ad will be billed at \$35 ea. Typesetting services are available at \$50 an hour with a one hour minimum. Production services will be performed by our printer and charged along with any halftone and typesetting charges with your space bill.

Advertising deadlines are three weeks prior to publication date. Insert rates are available upon request.

Payment in US dollars, bank in US, or bank wire to Republic National Bank, Four World Trade Center, ABA# 026-004828, Account #456-022-430.

Production Schedule for 1992/1993 Friends issue #48, December/January; #49, February/March.

Plan your advertising now and be sure to ask about our multi-ad commitment discount packages.

Classified Advertising: Open rate \$5 per line, 3 line minimum. Payment must accompany all orders for classified ads. If payment is not included with ad request, it will not run.

THE SCRIPOPHILY SHOP

Herzog Hollender Phillips & Company

DEALERS IN OLD BONDS AND SHARES SINCE 1979



Located in Central London (nearest Underground, Bond Street)
Over 1000 different certificates on display from across the world

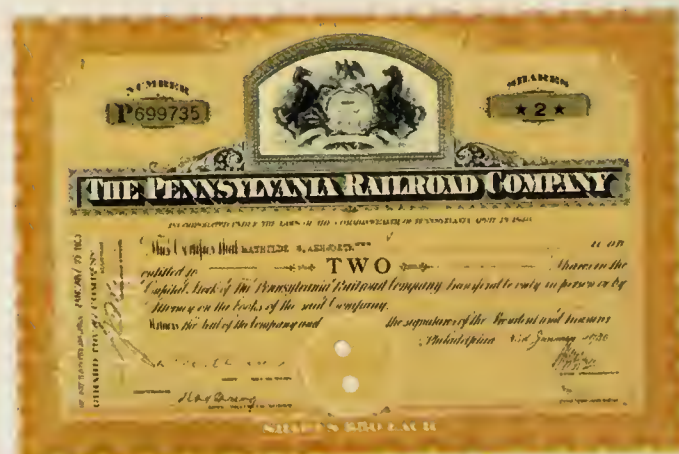
OPEN 10 am TO 5 pm MONDAY TO FRIDAY

Fully illustrated price list available on request

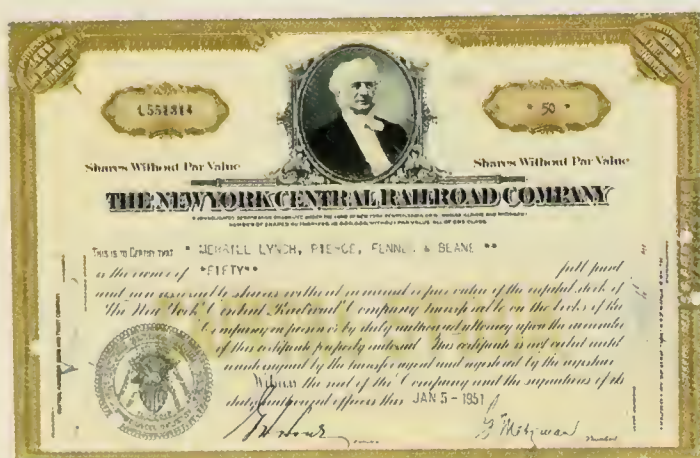
THE SCRIPOPHILY SHOP
BRITANNIA HOTEL, GROSVENOR SQUARE
LONDON W1A 3AN, ENGLAND

Telephone 071- 495 0580 Fax 071-495 0565

THE
PENN
CENTRAL
COLLECTION



ALL 3 OF THESE
CERTIFICATES
& LATEST PRICE LIST
\$1.00 POST PAID



Mail \$1 for each set requested to R.M.Smythe & Co., Inc. 26 Broadway, Suite 271,
New York, NY 10004-1701
Include with your order request your name and mailing address.